

Nine MPs rally to Council for Social Democracy

Nine right-wing Labour backbenchers were recruited yesterday to the proposed Council for Social Democracy and there is the possibility of more coming forward soon. It was clear last night that some

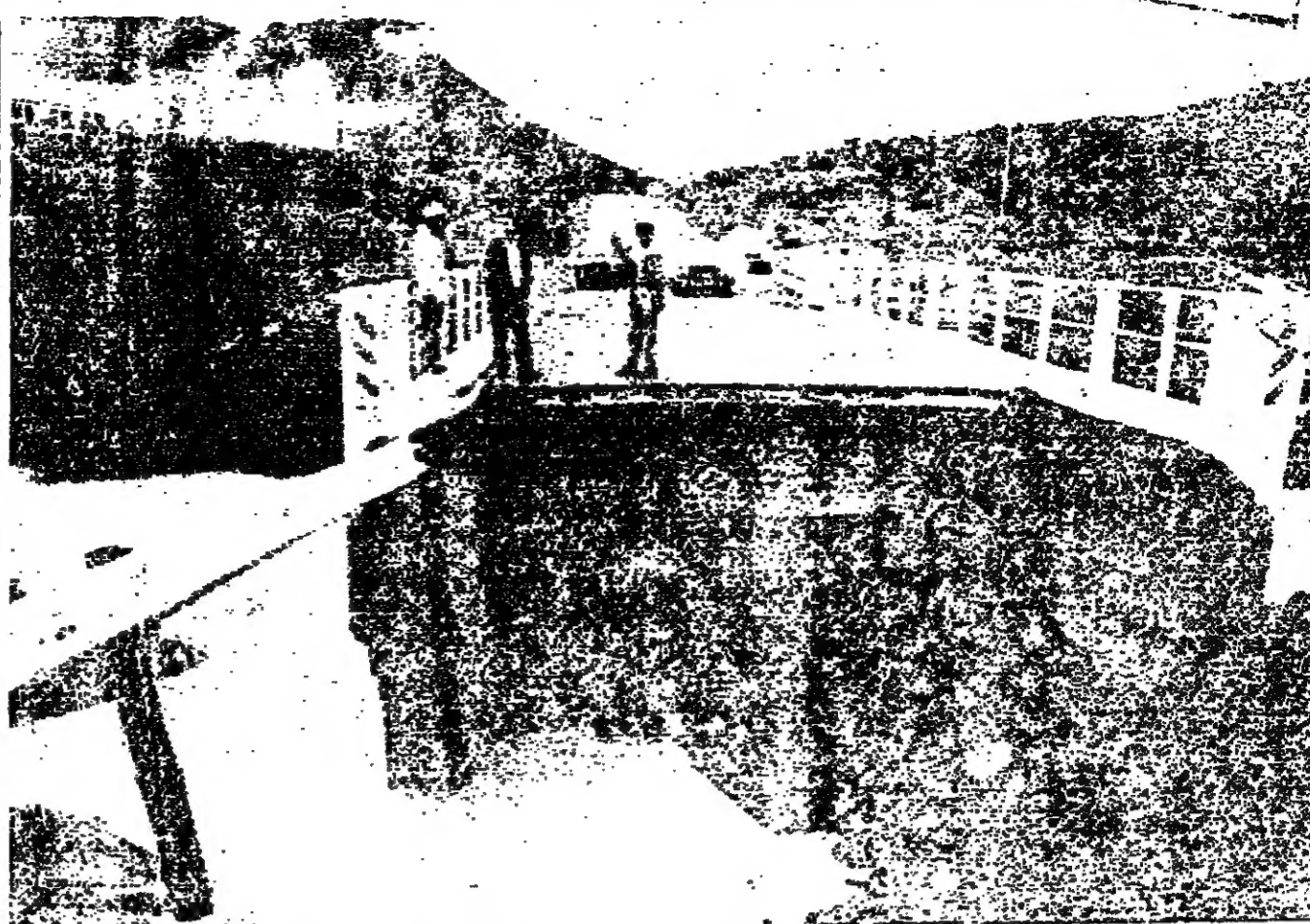
potential recruits were annoyed they had not been invited with the nine MPs to a meeting in Dr David Owen's Commons room. He said the birth of a social democratic party was very close

More Labour recruits likely

By Michael Hatfield
Political Reporter
The Council for Social Democracy, the proposed Labour Party breakaway group, yesterday recruited nine right-wing backbenchers with the possibility of more supporters in the near future.
But after a meeting in Dr David Owen's room at the House of Commons, one of the leading members of the so-called "gang of four", it was clear last night that some potential recruits were annoyed that they had not been asked to attend.
Those who were invited to the meeting and declared their support were: Mr Tom Bradley (Leicester), Mr Richard Crossman (Liverpool), Mr David Gifford (Leicester), Mr John Grieve (Leicester), Mr John Hume (Leicester), Mr John Roper (Leicester), Mr Neil Stammers (Leicester), Mr Tony Wright (Leicester) and Mr Ian Wright (Leicester).
After the meeting, which was also attended by Mr William Rodgers, another member of the "gang of four", the group issued a statement stating: "We shall campaign individually and collectively, in and out of Parliament, for the cause of social democracy. The Council for Social Democracy, whose other leading members are Mrs Shirley Williams and Mr Roy Jenkins, has signalled its intention of

forming a breakaway group unless there is a dramatic reversal of Labour policy, an event which it regards as extremely unlikely.
Dr Owen said on BBC radio yesterday that the birth of a social democratic party was "very close". It would take a few months to gather support and prepare for the split with the Labour Party.
He did, however, add: "If you believe in miracles, I suppose it is possible that Michael Foot could come forward with such a complete change in direction of the Labour Party than we would be bound to consider it."
Dr Owen said it was not possible to set up a new party without such a complete change in direction of the Labour Party than we would be bound to consider it.
After the meeting, which was also attended by Mr William Rodgers, another member of the "gang of four", the group issued a statement stating: "We shall campaign individually and collectively, in and out of Parliament, for the cause of social democracy. The Council for Social Democracy, whose other leading members are Mrs Shirley Williams and Mr Roy Jenkins, has signalled its intention of

leadership and we will give the leadership. We have got to involve thousands and eventually you have got to involve millions."
"I think what we will hopefully do over the next few months is demonstrate to people that the real Labour Party has changed beyond the point where you can continue to honestly support it."
Mr Rodgers said the nine recruits were all still members of the Labour Party.
"But I am afraid in the light of all that has gone before that it is very possible that we are now moving away and to something new, however and that will be," Mr Rodgers said in an interview with the commercial television's News of One.
Asked when the rebel MPs would resign the whip and when he would resign from the Shadow Cabinet, Mr Rodgers replied: "That remains to be seen and we shall announce it as we move along, but at this stage, and this was the real purpose of our declaration yesterday, and I think the purpose of the 11 of us this morning making clear where we stand, we are rallying opinion and this is very important indeed."
Mr Rodgers said it was probable that there could be a new party by the summer.
Resignation call: The Labour Party in Wrexham last night passed a vote of no confidence in their MP, Mr Tom Ellis, and called on him to resign from the party (a correspondent writes from Wrexham).
Warning to Liberals and photographs, page 2



One of several bridges washed away by floods near Laingsburg in Cape Province yesterday.

120 missing as floods swamp S African town

From Nicholas Ashford
Johannesburg, Jan 26
Up to 120 people may have died in the small town of Laingsburg in the western Cape after one of the worst floods in South Africa for almost 50 years.
As rescuers fought their way through mud and debris today, the local police commissioner announced that nine bodies had been discovered and 109 other people were known to be missing, believed dead.
In Parliament this afternoon Mr Pieter Botha, the Prime Minister, announced that the Government had set in motion emergency measures to aid survivors in Laingsburg and other people in the area whose homes and crops have been severely damaged by storms.
He said that emergency medical supplies, food, tents and bedding were being flown to Laingsburg and that troops and

special police units had been sent to the area.
Laingsburg is a small, pretty, sleepy town on the banks of the Buffels river which flows through the barren Karoo region down to the Cape.
However, 12 inches of rain during the past 24 hours transformed a normally docile river into a torrent. One survivor said that a "massive wall of water" thundered down through the centre of the town, knocking down houses and sweeping away cars as it went.
Today, the centre of the town was still under three to four feet of water. Between 150 and 200 houses were reported to have been destroyed including an old people's home. Fourteen of the home's residents were found seeking refuge on the local rugby pitch this morning but the rest are still missing.
Colonel Herman Merl, the divisional commissioner of police for the south-western districts, said that Laingsburg looked like a battlefield. Cars were piled on each other, several people trapped on roofs had watched helplessly as others fell off and drowned, he said.
Twelve Air Force helicopters were being used in the rescue operations. They were carrying supplies and lifting out people trapped in their

homes or stranded in vehicles. Many other areas of the south-western Cape were also affected by gales and floods which destroyed millions of pounds worth of fruit and crops. Particularly badly hit were wine farmers around the Hex river valley whose vines were flattened by the rains. Innumerable cattle and sheep have drowned in the floods.
Winds of up to 60 mph swept across Table Bay outside Cape Town yesterday and early today, causing disruption to shipping in and out of the harbour. Most of the main rail system passing through the Karoo has been washed away along a 150-mile stretch, cutting Cape Town off from the rest of the country.
Along the "Garden route" between Cape Town and Port Elizabeth strong winds felled telegraph poles, power cables and trees and sent landslides of mud into dozens of homes.

It was left to Mr Yasir Arafat to slow the pace.
When the Palestine Liberation Organization chairman arrived, the last of 35 Muslim leaders to leave his hotel this morning, he climbed with a chalice to the top of his Buick, flicked his right hand in the air for a few moments and then, smiling but followed at a discreet distance by a broad gesture with a shoulder holster, descended slowly past the television cameras.
The third Islamic summit has, after all, been called the "Jerusalem and Palestine conference" and Mr Arafat always knows how to make an entrance. Perhaps he even wanted to emphasize the mutual animosity of President Assad and President Hussein, an index of Arab suspicion from which the Palestinians are supposedly, though not really, immune.
It was the Gulf war which dominated the summit today.
King Khalid appealed yesterday for unity among Islamic nations when he spoke in the Great Mosque at Mecca and it was left to Dr Kurt Waldheim, the United Nations Secretary General, to take up this appeal in slightly different if more specific terms.
With the somewhat insubstantial optimism which his critics often refer, the tall, ascetic figure of the Secretary General appeared at the rostrum of the conference hall to note that "there seems to be a measure of agreement on the possible elements of negotiation" to end the Gulf war.
President Hussein looked on in grim silence. President Assad, Iran's most important Arab ally, did likewise. Dr Waldheim, it turned out, had drawn his optimism from the similarity of views expressed in Tehran and Baghdad about the future demarcation of shipping lanes in the Strait of Arab waterway. It was "imperative", he said, that the conflict should be brought to an end.
President Zia ul-Haq of Pakistan agreed in a more vehement and political fashion. The conflict between "brotherly Islamic countries" was a tragic

Bulky men clear path to Islamic disunity

From Robert Fisk
Tah, Saudi Arabia, Jan 26
You had only to watch the Arab leaders arriving this morning at the glass and pressed concrete Conference Palace in Tah to comprehend the nature of Islamic disunity.
King Khalid of Saudi Arabia, it is true, breezed from his limousine with a self-confident flourish, his blue uniformed praetorian guard trotting eagerly behind him.
But President Assad of Syria was almost smothered by his own security corps, tough bulky men from the Damascus "Mokhabarat" who walked sideways up the marble steps and backwards through the great doors at the top.
President Saddam Hussein of Iraq was even more enthusiastically protected.
The group of bodyguards leapt from the flowerbeds and ranks of camera crews, shouldering reporters and Saudi policemen from their path so that when the Iraqi Baath party's most illustrious scion eventually clambered from his armoured Cadillac—he had some trouble unlocking his door—it was simply not possible to see more than his eyebrows and hair.
It was left to Mr Yasir Arafat to slow the pace.
When the Palestine Liberation Organization chairman arrived, the last of 35 Muslim leaders to leave his hotel this morning, he climbed with a chalice to the top of his Buick, flicked his right hand in the air for a few moments and then, smiling but followed at a discreet distance by a broad gesture with a shoulder holster, descended slowly past the television cameras.
The third Islamic summit has, after all, been called the "Jerusalem and Palestine conference" and Mr Arafat always knows how to make an entrance. Perhaps he even wanted to emphasize the mutual animosity of President Assad and President Hussein, an index of Arab suspicion from which the Palestinians are supposedly, though not really, immune.
It was the Gulf war which dominated the summit today.
King Khalid appealed yesterday for unity among Islamic nations when he spoke in the Great Mosque at Mecca and it was left to Dr Kurt Waldheim, the United Nations Secretary General, to take up this appeal in slightly different if more specific terms.
With the somewhat insubstantial optimism which his critics often refer, the tall, ascetic figure of the Secretary General appeared at the rostrum of the conference hall to note that "there seems to be a measure of agreement on the possible elements of negotiation" to end the Gulf war.
President Hussein looked on in grim silence. President Assad, Iran's most important Arab ally, did likewise. Dr Waldheim, it turned out, had drawn his optimism from the similarity of views expressed in Tehran and Baghdad about the future demarcation of shipping lanes in the Strait of Arab waterway. It was "imperative", he said, that the conflict should be brought to an end.
President Zia ul-Haq of Pakistan agreed in a more vehement and political fashion. The conflict between "brotherly Islamic countries" was a tragic

Rail union backs voting change

By Paul Routledge
Labour Editor
The right-wing revolt against Labour's union-dominated party leadership electoral college gained momentum yesterday when leaders of the railwaymen and engineering workers backed a move to reopen the constitutional issue.
There are moves under way to table a constitutional amendment to the annual party conference in October that would shift the MPs' share of votes in the electoral college from 30 per cent to 50 per cent. It is a strategy that has the tacit support of the party leader, Mr Michael Foot.

ing the Labour leader. Under the formula adopted on Saturday, the unions will have 40 per cent of the votes, with the remainder divided equally between MPs and constituency parties.
Mr Sidney Weighall, general secretary of the National Union of Railwaymen, said he was sure that unions would be looking at ways of reversing the Wembley decision. "For the same reason that the party's national executive never accept a decision that they don't like, I would say other people have the same right to change this to what they think it ought to be."

Mr David Barnett, chairman of Trade Unions for Labour Victory, who first hinted that the constitutional issue could be reopened, would not elaborate further on his proposal that a union would take up Mr Foot's invitation to restore the moderate formula for an electoral college.
Other union leaders were less reticent. Mr Terence Duffy, President of the Amalgamated Union of Engineering Workers, said on arriving for a meeting of the TUC's "inner cabinet" that he did not consider the leadership issue closed. He hoped those threatening to break away would stay and continue the fight.
While Mr Moyn Evans, general secretary of the Transport and General Workers' Union, conceded that those unhappy with the Wembley formula could raise it again, he said: "You cannot keep going all the time until you get the result you want. We could have so many conferences you would be getting dizzy after a time." The TGWU's 1,250,000 block vote was cast for the winning formula.
Letters, page 13

Ten injured in Ulster bomb blasts

From Craig Seton
Belfast
Bombs exploded in six centres in Northern Ireland last night in a coordinated IRA operation that slightly injured 10 people, including three men of the Ulster Defence Regiment. The damage to property was extensive.
The injuries were in Portadown, Co Armagh, where a car bomb destroyed or damaged more than 30 shops and offices.
Three others exploded at about the same time, just before 6.30 pm, in three other towns.
Less than two hours later a bomb exploded in Londonderry and two exploded by the Belfast-Dublin railway line on the border in south Armagh. The line was closed.
Murder inquiry urged, page 4

Cabinet discusses imposing special terms on the sale of Times Newspapers

By Fred Emery
Political Editor
Cabinet Ministers are discussing the possibility of the Government imposing special conditions on the sale of Times Newspapers to Mr Rupert Murdoch without referring his purchase to the Monopolies and Mergers Commission. That was learnt last night after a meeting of a dozen ministers with Mrs Margaret Thatcher in the chair.
Mr Murdoch's bid was intensively discussed without, apparently, a decision being reached.
It was said in Whitehall that the decision was now for Mr John Biffen, Secretary of State for Trade. It was not known when Mr Biffen might announce his decision, although he will come under pressure to do so when he speaks in today's emergency Commons debate.

The Government was evidently taken by surprise by the Speaker's assertion in an emergency debate, and not pleased. Last night there was unusual restraint in authoritative quarters in mentioning the details. But, clearly, collective Cabinet committee advice was given to Mr Biffen.
The Government, wary of a political outcry if the Monopolies Commission is seen to be bypassed, seems to be searching for middle ground. The idea of imposing Government conditions to require that the editorial independence of the Times be maintained in the form of a quid pro quo for Mr Murdoch's consent to Mr Murdoch's purchase, is being canvassed as one way to cut straight to the likely end result of a monopolies commission report.

The Government's keen concern over the legal thickets that could entrap the Secretary of State if he avails himself of one of the exceptions in the Fair Trade Act, 1973, as he must if he is not to refer the issue to the commission, was confirmed by the presence at last night's meeting of Sir Ian Percival, the Solicitor-General.
Several ministers favour a reference to the commission so that the issues can be investigated in the public interest. But other ministers, apparently including the Prime Minister, believe that the papers could be jeopardized by any delay in concluding negotiations beyond the three-week deadline that the owner, Thomson British Holdings (TBH), and Mr Murdoch, have set. Mr Murdoch has objected to a reference to the commission.
Continued on page 2, col 6

BL given £990m state aid over the next two years without conditions

By Edward Townsend
BL has been rescued once again by the Government and is to receive £990m additional state funding over the next two years. The new injection will bring the total amount of public money given to the company since 1975 to £2,065m.
The additional money has been granted without conditions and the Government is relying upon "regular monitoring" by the BL board of its new corporate plan and on a further promise by Sir Michael Edwards, the chairman, that the company's operations will be reviewed quickly if there is "a substantial deviation in performance".
BL is believed to have made a loss approaching £400m last year and in the new corporate plan, now backed by the Government, it envisages diminished losses this year and in 1982 and a return to profitability in 1983.
Sir Keith Joseph, Secretary of State for Industry, announcing state support for the plan in the Commons yesterday, said the Government would provide £620m in new equity in 1981-82 and £370m in the following year. The company's four-year plan calls for a further injection of £150m in 1984 and 1985.
Sir Keith announced that, as soon as the Industry Bill became law, the shareholding in BL would be transferred to the Government from the National Enterprise Board, a move that has been expected since the withdrawal of Rolls-Royce from the NEE's portfolio more than a year ago.
His announcement had a mixed reaction in the Commons, with some Conservative backbenchers expressing disquiet. Mr George Gardner, MP for Reigate, said there would be disappointment that firm undertakings had not been given from the trades unions, while Mr John Stokes, MP for Halesowen and Stourbridge, said he hoped "these vast

payments will be the last, or are we going year by year to fill the bath with the plug out?"
Sir Michael, who has acceded to a government request to resign, said at least until the end of 1982, said later: "We welcome the Government's decision which clearly recognizes the determination of BL and its workforce to make a success of the business."
He said that last year the company was free of disputes for 98.6 per cent of working hours, a 76 per cent reduction in man hours lost compared with 1979, resulting in the company's best industrial relations record. "We believe this has made a significant contribution to the Government's continuing support."
At a press conference, Sir Keith said that discussions in his department and the Cabinet had looked for the "middle ground" between acceptance and rejection of the BL request, but there was none.
Rejection would have cost more and caused the loss of 130,000 jobs in BL and other companies, so either way "the taxpayer was going to be clobbered".
The taxpayer had got locked into BL so that the only way to escape was to spend money. "We did not inherit many of these and we certainly are not supporting any more," he added.
Sir Keith and his ministerial colleagues have been impressed by the BL board's determination to sell the company's non-automotive subsidiaries, which are likely to include the Alvis military vehicle and Coventry Climax forklift truck operations, and to enter more collaboration deals with other manufacturers as a means of attracting private capital.
Parliamentary report, page 8
Leading article, page 13
Essential help, page 17

Education report fails to guide

Local authorities hoping for guidance on providing education for 16 to 19-year-olds from the report of the Macfarlane committee, find it recommends that as no single pattern is generally preferable each authority should be left to decide what provision to make in the light of its circumstances. One criticism is that it does nothing to help to provide a badly needed national policy of education and training related to industry, commerce, employment and unemployment.
Page 4

Bonn crisis erupts

A rebellion over defence policy by 24 Social Democrat deputies in Bonn has raised fresh problems for Herr Schmidt, the Chancellor, struggling to keep his coalition together. The deputies want defence spending to be cut by £210m and the money used for development.
Page 5

Mr Walesa's mission

Mr Lech Walesa made an urgent visit to southern Poland today to avert a clash between peasant farmers demanding recognition for their free trade union and the authorities. Solidarity has called for action by other workers to support them.
Page 6

Seamen's separate deal

Canadian Pacific, one of the employers involved in the seamen's dispute, has broken ranks and reached a separate deal with the National Union of Seamen. Neither side would give figures but the union hailed the settlement as a breakthrough.
Page 2



Manager departs: Crystal Palace Football Club have parted company with Malcolm Allison, their manager (above), for the second time only two days after Mr Ron Noades, the Wimbledon chairman, had bought the shares of his Palace counterpart, Mr Raymond Bloye. Dario Gradi, the Wimbledon manager, was named as successor to Mr Allison, who will receive compensation equivalent to his salary until the end of the season.
Page 10

New Fraser clash

Sir Hugh Fraser, chairman of the House of Fraser stores group, has said that a meeting of the group's directors called for tomorrow could involve moves to oust him from the board. Also expected to be on the agenda is the future role of S. G. Warburg, the group's merchant bank, and Cazenove, its stockbroker.
Page 15

Tehran: The hostage deal was defended by the Iranian Speaker as the freed Americans relaxed with their families.
Classified advertisements: Personal, pages 22, 24; Appointments, 21, 22; Sale Room and antiques, 22

£271m for Britain from EEC

From Michael Horsby
Bussels, Jan 26
Britain will receive £271m over the next few days from the EEC in partial reimbursement of its contribution to the Community budget last year, the European Commission announced today.
Added to the first repayment of £98m announced at the end of December this means that Britain will have received 53 per cent of the total refund of £502m on its 1980 budget contribution promised under the agreement reached by EEC foreign ministers last May.
The Government expects another substantial part of the refund to be paid in March, leaving only about 20 per cent owing, which will be released later in the year.
This timetable is in line with the Government's desire that the bulk of each annual refund should be paid by the end of its own financial year, which runs from April to April.
Of the total refund for 1980, £281m will be a straight rebate, and the remaining £422m will consist of EEC-financed expenditure on public investment projects in Britain, particularly in less developed regions. The EEC money will meet between 20 and 30 per cent of the cost of the projects concerned.
The money made available so far under the second heading is earmarked for development programmes in Wales and the north west of England.
The refund of Britain's 1981 budget contribution will amount at current exchange rates to £770m. Arrangements thereafter have yet to be decided.
The Government contends that the refund enables public expenditure programmes to be sustained at higher levels than could otherwise have been afforded. Critics of the Government, however, say that the money is being used simply to reduce the burden on the national exchequer and not to increase spending on underdeveloped regions.

Garrard, exclusively...

Silver brings lasting beauty to your table. Sterling silver cutlery in the "Rose" pattern illustrated is available only from Garrard. This is a design exclusive to Garrard dating from the mid-19th century. Expertly made from exact facsimiles of the original dies and hand-finished by craftsmen, it may be purchased individually or in sets. Further details of the many patterns of sterling silver and Regent plate cutlery will gladly be sent on request.

GARRARD
The Crown Jewellers

112 REGENT STREET LONDON W1A 2JL
TELEPHONE 01-734 7000

Home News 2, 4, 5, 8	Book review 9	Diary 12	Obituary 14	Sport 10, 11
European News 5	Engagements 12	Parliament 14	TV & Radio 23	
Overseas News 6, 7	Business 15-20	Features 7, 12	Sale Room 21	
Appointments 14, 18	Count 14	Law Report 21	Science 24	
Arts 9	Crossword 9	Letters 13, 16	Snow reports 10	
			Weather 22	

HOME NEWS

Seamen claim pay breakthrough as operator makes deal

By Donald MacIntyre
Labour Reporter

The National Union of Seamen yesterday hailed a settlement with Canadian Pacific, described as the sixth-biggest British-based merchant fleet operator, as a breakthrough in the month-old national pay dispute.

The union said that the settlement met the essential elements in the claim, and the decision by Canadian Pacific to break ranks came as the Shipping said that 133 vessels had been halted by strike action.

In a statement jointly issued with the union, the company, which said last night that the settlement would cover about 800 British and foreign ratings, all represented by the union, commented that it was unwilling "to witness a further deterioration of the existing good industrial relations" with their seamen.

Neither side was prepared to say how far the cost of the settlement exceeded the maximum 12 per cent offer so far tabled by the general council. The company denied unofficial estimates that the settlement might be between 15 and 17 per cent, but did not contest the union's claim that it had agreed to pay a high proportion of overtime at time and a half rates.

Mr James Slater, general secretary of the union, said: "We are the settlement as a breakthrough and obviously we hope that other companies will follow suit."

The company said it had taken no steps to resign from the general council, Mr Adrian Wells, the council president, said: "Obviously, we regret that other companies will follow suit."

He said that of the ships operated by Canadian Pacific only three were directly British owned, four were managed by the British operation for the Canadian parent company, and most of the seamen on the rest were Filipinos.

The company was adamant that the deal would affect all 800 ratings on the 31 ships maintained on the United Kingdom registry, and that all were covered by NUS terms and conditions and were represented by the union.

As with the 12 per cent national offer rejected by the union, the basic rate component of the Canadian Pacific deal will add 3.4 per cent to the basic rate of foreign-going seamen. Average earnings for foreign-going qualified seamen in the British merchant fleet as a whole are about £125 a week.

The union's disputes committee deferred until today a decision about whether to exempt banana traffic from the Windward Islands, in the West Indies, from the strike action. The Government of St Lucia yesterday appealed through its High Commissioner in London to the union to give a special dispensation to vessels operated by Geest Produce on the grounds that the trade was vital to the economies of the islands, badly affected by a hurricane last year.

The union will also consider a telegram from the St Vincent Government. Dockers' strike out: The three-week-old strike of dockers at Aberdeen is to continue after the men yesterday rejected a marginally improved pay offer, a staff reporter writes from Aberdeen. The dockers are not due to meet again until next week.

The strike is causing hardship in Orkney and Shetland, where ferry sailings have been drastically reduced.

Union seeks freeze on Tube fares for 4 years

By Our Labour Staff

A 25 per cent reduction in London Underground fares, followed by a four-year freeze on fares, are central demands in a campaign for substantially increased investment in the system launched yesterday by the National Union of Railwaymen (NUR).

The union, which claims 90 per cent membership of staff on the system, made clear that the campaign was being timed to coincide with the Greater London Council elections.

Mr Sidney Weighell, the union's general secretary, said that the Tube fare, which is a union delegation recently visited, was far superior to London Underground in every respect.

He said the reason was that during the 1970s £2,000m had been spent on public transport in Paris. That was four times the amount, London Transport had been able to spend in the same period.

Mr Weighell said that in contrast to European metropolitan transit systems, policies for London Transport had meant a cut in support by a third in the past four years and an increase in the average fare for that period from 15p to 50p. If that continued it would leave "millions of passengers unable to travel on the Underground".

Mr Weighell called for a substantial increase in capital investment, a fares freeze and a "more frequent and reliable service, cleaner and more attractive stations, improved customer care and less violence".

The NUR acknowledges that the action on fares which it sought would over the next two years mean an increase of £28.75 in the average rate bill of London householder, if met from that source.

The union will nevertheless argue in its campaign that there would be a net gain of £1.50 a week to the average family using the Underground.

The result, he said, would be necessary to learn from the mistakes of the last expansion after Thomson took over in 1967. His aim for the circulation of the paper was to turn a downward trend into an upward one, no matter how greater credibility among readers and advertisers alike.

While he saw no need to change its character, Mr Murdoch thought *The Times* would benefit from additions to the service, he offered its readers so that it would be of greater value and appeal at



Mr Rupert Murdoch explaining his policies to editorial staff at "The Times" yesterday, watched by Mr William Rees-Mogg, the editor.

Mr Murdoch outlines his plans for 'The Times'

By Dan van der Var

Mr Rupert Murdoch yesterday gave editorial staff of *The Times* a taste of his ideas for its future under his proposed ownership and used graphic language to reinforce his public promise to guarantee editorial independence and to ally doubts about his intentions.

"What if I found a way of tearing up all those guarantees and firing an editor? The answer is that there would be a terrible public sink, and it would destroy the paper," Mr Murdoch said. The only reason he was opposed to a reference to the Monopolies and Mergers Commission was the length of time it took.

Mr Murdoch, who has until February 12 to reach agreement with the unions on reducing manning levels and new technology if he is to take over the paper, its three supplements and *The Sunday Times* Organisation, told journalists on *The Times* and the supplements that he was confident the paper could be made viable.

By "viable" he meant no more than the achievement of the smallest of profits in three, four or five years, he said. It would be necessary to learn from the mistakes of the last expansion after Thomson took over in 1967. His aim for the circulation of the paper was to turn a downward trend into an upward one, no matter how greater credibility among readers and advertisers alike.

While he saw no need to change its character, Mr Murdoch thought *The Times* would benefit from additions to the service, he offered its readers so that it would be of greater value and appeal at

home rather than being taken off to work by commuters.

He said more could be done for women and the addition on one or two days a week of separately printed sections expanding the services offered to readers could be very successful. He hoped more space could be found for news coverage, with greater flexibility for matching space to big events.

"You have seen the guarantees of editorial independence I gave to the national directors (of Times Newspapers Ltd)... I can say that I did so with the greatest of ease. I have no intention of interfering with any opinions in the paper. I will explain if the facts are wrong," Mr Murdoch said.

Asked to elaborate, Mr Murdoch said he could "sell myself to you as the least of the alternative evils. I think I have locked myself in, particularly with the power I have given of absolute right of hiring and firing editors (by the national directors)."

"What if I found a way of tearing up all those guarantees and firing an editor? The answer is that there would be a terrible public sink, and it would destroy the paper."

"What I have really given them the right to do is to force me to sell out. That is really the only alternative. I get on by restricting the right to refuse reference to the commission."

The leaders of the chapels, Mr Eric Jacobs and Mr Jacob Eccleston, who had attended the meeting with Mr Biffen, also called on Mr Murdoch to explain further why their members believed that the public interest and editorial safeguards would be strengthened after an examination by the commission,

make an early statement, but the person put to the national directors would be a long-term choice because "a caretaker editor is a lame-duck editor".

Mr Murdoch conceded that new technology, which he hoped could be in full operation by printers in two years, would make deadlines earlier, but it would bring about essential.

He denied that he was attempting to "hold a gun to Parliament" by giving a warning last week that a reference to the Monopolies and Mergers Commission of his bid for the

titles would lead him to withdraw. He said he had told that the commission could not complete its work in less than eight weeks.

A reference to it would mean interruption in publication, further losses of advertising revenue to other papers and uncertainty among the trade unions, who would not know they were dealing with the actual would-be purchaser.

"I don't feel I have anything to worry about at all from a reference, from the point of view of being approved or not. I am quite happy to be examined, if they suggest that is the right thing, but it can't

happen and fit into the Thomson timetable," Mr Murdoch said.

He added that he was just as committed to making the three supplements viable, though he foresaw them eventually being printed elsewhere on contract. Further supplements could well be founded later.

But *The Times* and *The Sunday Times* would go on printing at Great Britain. It was not necessary to move them to make them viable, but it was essential to cut production costs and increase advertising revenues while raising the price of the paper as little as possible.

NUJ deputation meets Mr Biffen

Continued from page 1

Before the ministerial meeting yesterday morning, Mr Murdoch was received by Mr Biffen, who, at a separate meeting, also saw Mr Gordon Brunton, the chief executive of TBH, and Sir Denis Hamilton, chairman of Times Newspapers Ltd.

In the afternoon Mr Biffen gave a patient hearing to an informal deputation of journalists from *The Sunday Times* and *The Times* who sought to explain why the National Union of Journalists' chapels (office branches) at both newspapers had passed motions urging a reference to the commission.

The leaders of the chapels, Mr Eric Jacobs and Mr Jacob Eccleston, who had attended the meeting with Mr Biffen, also called on Mr Murdoch to explain further why their members believed that the public interest and editorial safeguards would be strengthened after an examination by the commission,

and any conditions subsequently imposed.

Mr Biffen said: "By last night 100 journalists (out of about 280) at *The Times* had signed a statement supporting Mr Murdoch's bid (a Staff Reporter writes)."

The statement said: "Not all the editorial staff of *The Times* see a Murdoch takeover as a disaster, although the public may be forgiven for thinking so after the spate of one-sided comment since the announcement of the bid for the group. We, the undersigned journalists, think that the Murdoch bid offers the best hope for preserving the best of the paper."

Three-hour debate: The proposed purchase and the question of a reference to the commission is to be debated in the Commons today under the House's emergency procedure (Our Parliamentary Correspondent writes).

Mr George Thomas, the Speaker, agreed that the matter

was of sufficient importance for the business of the day to be postponed to allow a three-hour debate to take place.

Mr John Smith, Opposition spokesman on Trade, making the application, said that the acquisition of the papers by Mr Murdoch would create a large concentration of newspaper power in one ownership. That was precisely the circumstances which Parliament had in mind when it passed the newspaper mergers reference provisions of the Act.

He believed that if the reference was coupled with a request for an early report, a proper examination could be made within the several weeks set aside by the parties. The matter was urgent, because a decision was imminent.

When the Speaker asked if Mr Smith had the agreement of the House for a debate, the required number of 40 Labour MPs rose to signify approval.

Parliamentary report, page 3

Water workers' delegates vote to back a strike

By Our Labour Staff

Delegates representing 1,300 waterworkers in the National Union of Public Employees voted yesterday to back a strike next month for a 7.5 per cent offer is improved.

The National Water Council is expected to make this week to consider the next stage in what is likely to prove one of the most critical set of negotiations in the public sector. The executive of the General and Municipal Workers Union last week voted to sanction a strike if necessary.

The two biggest Civil Service unions have called special national conferences to endorse a strategy for the Whitehall pay claim in the light of the Government's decision on a 5 per cent cash limit and a suspension of the Pay Research Unit mechanism for this year.

The Society of Civil and Public Servants meets on Wednesday and will consider plans for a £2 levy on each member to fund industrial action if necessary, and the Civil and Public Services Association holds its conference the next day.

He added that London Transport figures showed that total passenger journeys had decreased from 672 million in 1970 to 594 million in 1979.

Questioned about lower manning levels on the Metro and one-man operation of Paris Underground trains, Mr Weighell said: "We have made clear repeatedly that we are not against new technology. We have been willing to talk about manning where there is the proper investment."

The union would, however, want shorter working time and longer holidays

Minister says jobless are useful 'reserve'

By Our Political Editor

Making a virtue of the "inevitable" unemployment caused by government policies, a junior minister yesterday described the jobless as a "reserve" to be used to increase future production.

"To have labour available is an increase in our industrial potential," Nicholas Ridley, Minister of State at the Foreign and Commonwealth Office, said.

"I have good news for you. Our labour is cheaper to employ than that of our major competitors. Our interest rates are coming down. Our inflation rate is coming down."

"We are becoming increasingly competitive internationally. Britain is now a most attractive place for industrial investment," he said in a speech to his constituents in the Conservative Party in Cirencester and Tewkesbury.

Mr Ridley, a Thatcherite monetarist, who has been little heard of since being posted to his present position, took his novel defence of government policy to the point of deriding the "Horse Macmillan and Mr Edward Heath."

Noting that some people were criticizing the Government for both cutting public spending

and not restraining monetary growth, he said: "Some people make both charges in the same breath. Some, like the Tory ex-prime ministers, are not quite sure which charge they are making."

Mr Ridley maintained that the Government "may have got it about right", and went on to bring down the rate of inflation, can only be done by restricting the money supply, and doing that inevitably causes difficulties.

Again, he said, an inevitable consequence of the progress the Government was making against inflation was the "pressure on industry to become competitive and the high level of unemployment."

Ministers are not usually so candid. The government line has been that unemployment was not inevitable as a result of its policies.

But vaunting the Government's achievements in getting down inflation and enjoying a high post Mr Ridley said: "Another few years of such progress will give us one of the lowest inflation rates in the world, a healthy balance of payments and a competitive industry."

Equity to study new offer from BBC today

By Kenneth Gosling

A revised offer from the BBC will be considered today by the council of Equity, the actors' union, which rejected a two-tier offer last week.

The BBC proposed a 10 per cent increase for television work from February to April, increased to 15 per cent in May, lasting to April, 1982. Some variation in dates has been made in the new offer, which does not meet the union demand for an extra 2½ per cent.

Members meeting in London next Sunday will be asked to take industrial action failing a better offer. The BBC offer would raise the minimum rate from £125 to £141 a week.

Correction

Increases mentioned in a report about back and bustle yesterday referred to the EEC tax on food, not prices. Consequential price rises will be much smaller, and may not occur this week.

Mortgage chief urges end to stamp duty on houses

By Rosemary Unsworth

Stamp duty on the conveyance of owner-occupied houses should be abolished in the March Budget, Mr Leonard Williams, chairman of the Building Societies Association, has said in a letter to Sir Geoffrey Howe, Chancellor of the Exchequer.

Mr Williams said the average house price was slightly above £25,000 and attracted a duty of £250. In London the average price was more than £30,000 and stamp duty cost more than £350.

Until recently stamp duty was payable only on more expensive houses but inflation had turned it in effect into a house purchase tax, "something which is at odds with the stated policy of this Government to encourage owner-occupation."

The letter added that when the level of which stamp duty starts was fixed at £15,000 in 1974, 16 per cent of houses mortgaged to building societies were subject to the duty. That proportion increased steadily until it reached 71 per cent in the fourth quarter of 1979, reflecting a doubling in house prices over the period.

Mr Williams said the increase in stamp duty thresholds in the last Budget was "very modest". The lower threshold now starts at £20,000. Of those who bought houses with the help of building society mortgages in the third quarter of 1980, 53 per cent paid £20,000 or more and therefore had to pay the duty, he said.

If the Government, which it is estimated will receive about £225m in 1980-81 from stamp duty on the conveyance of residential property, does not abolish the charge, the thresholds for its imposition should be restored to its 1974 level, which would make it to £15,000.

The association is also calling on the Chancellor to double the ceiling for mortgage loans eligible for tax relief to £50,000.

Liberals get warning on alliance

By Ian Bradley

A number of leading Liberals have fired an early-warning shot about any electoral alliance the party leadership might be contemplating with Labour social democrats.

Today's issue of the party newspaper, *Liberal News*, contains three articles, written before the Labour Party special conference last Saturday, which are highly critical of any Liberal involvement in the creation of a new centre party.

Mr Cyril Smith, MP for Rochdale and a long-standing opponent of a Liberal-social democratic alliance, says that he supports the efforts of Mr David Steel, the Liberal leader, to convince Labour and Conservative MPs that their future does not lie with their present parties.

However, he adds that he would be "extremely apprehensive about any electoral pact or deal which would enable a fourth party to take breath or gain life. Such a move would be suicidal to the Liberal Party."

Mr Stephen Atack, a member of the party's national executive and former chairman of the Young Liberals, points to the "deep philosophical divide which separates Liberals and social democrats" and says that a substantial number of Liberal activists, including many councillors, parliamentary candidates and peers, would not be able to stomach an electoral pact with the social democrats.

The most strongly worded contribution came from Dr Jeffery Roberts, who won a seat on Hackney council for the Liberals last October with a 40 per cent swing from Labour. He writes: "There are now two Liberal parties. One is engaged in the humble work of serving the people. The other, 'Nobs', Liberal Party is quietly engaged in selling it down the river for the highest and most honourable prize, a centre party."

Describing the "Nobs" Liberals as "social democrats who do not understand Liberalism and so do not prize it," he says it is important that they



The nine right-wing Labour backbenchers who yesterday declared their support for the Council for Social Democracy (left to right, top): Mr Mike Thomas, Mr Thomas Ellis and Mr Ian Wigglesworth. Centre: Mr John Roper, Mr Robert MacLennan and Mr Richard Crawshaw. Above: Mr Neville Sandelson, Mr Tom Bradley and Mr John Horam.

should recognize that "we are not slaying away in the East End (or anywhere else) to see Roy Jenkins et al use the Liberal Party as a doormat."

"If pressure is put on individual Liberal constituencies to stand down Liberal candidates to let 'centre party' nominees in, there will be a split in the Liberal Party."

The articles reflect a growing fear among local Liberal activists that the party leadership is in danger of making too many concessions to dissenting Labour social democrats.

Mr Steel was almost certainly mindful of those fears when he issued a cautious statement of welcome on the formation of

the Council for Social Democracy on Sunday.

The Liberal leader is likely to come under increasing pressure from his rank and file in the coming weeks to keep his distance from the new Council. Mr Steel's response: Mr Steel said in a statement yesterday: "I welcome and share the view of the four Labour Party members that resignation of British politics is vital. The principles outlined for the proposed Council for Social Democracy sound fine as far as they go, but they are obviously not comprehensive."

"When names are announced it should be possible for Liberals to enter a dialogue with them."

Udaw emphasizes that it does not allege any irregularity, but is merely asking for information about the number of affiliated members and the number of delegates representing them.

It would appear that the number of delegates attending management committee meetings are representing several hundred branch members from the headquarters branch. As fewer than 30 NUM members are employed at the area head-

Cornish woods preservation order confirmed

By Our Planning Reporter

The Devon County Council Environment, yesterday confirmed a tree preservation order on Calanassack woods, on the Helford estuary, in Cornwall.

The order was made by Kevin Bishop, Council Environment Officer, after the county council, the Nature Conservancy and the Council for the Protection of Rural England had expressed concern at the prospect of the indigenous oaks being replaced by conifers.

Last week Mr J. C. Green, the owner of the 33-acre site, wrote to *The Times* stating that he had no intention of replacing the oaks, and that his management plan had been approved by the county council planning committee and by the National Trust, which owned property on the other side of the river.

A spokesman said: "It was the area headquarters branch that moved a proposition which resulted in mandating Roy Mason, the MP for Barnsley, to support Michael Foot in the leadership election. We have had no information about the branch meeting that took this

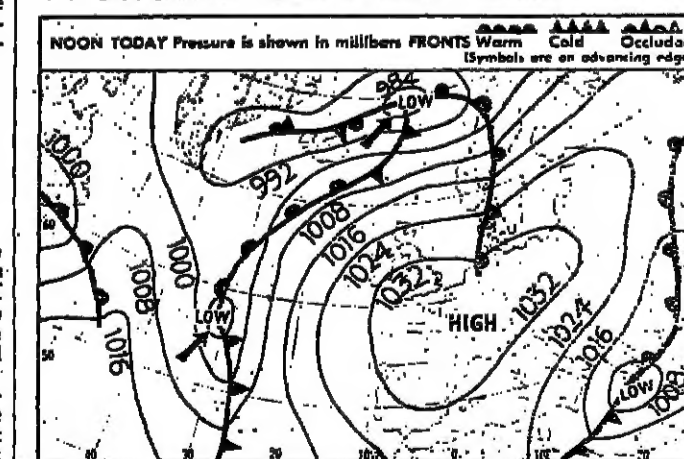
Cliff chapel to be saved by national park

St Govan's chapel, built into a cleft in the spectacular cliffs near Bosherton, Dyfed, one of the great sights of Wales, is to be saved from decay by the Pembrokeshire Coast National Park authority.

The stone chapel is surrounded by legends and can be reached only by a long flight of steps. No one knows when it was built. Some experts believe that it dates back to the eleventh century, while others say it was founded in the sixth century and built by St Govan's followers on the spot where he died in his cell in 586.

Who St Govan was, also a matter of conjecture and dispute, but majority opinion favours St Gobhan, abbot of Dairinis, in Wexford, Ireland, who came to Wales to seek the descendants of his Welsh teacher.

Weather forecast and recordings



Today
Sun rises: 7.46 am
Moon sets: 4.41 pm
Moon rises: 10.58 am
Sun sets: 12.40 pm
Last quarter: Tomorrow
Lighting up: 5.11 pm to 7.15 am
High water: London Bridge, 6.4 am, 6.31 pm, 6.35 pm, 6.38 pm, 6.41 pm, 6.44 pm, 6.47 pm, 6.50 pm, 6.53 pm, 6.56 pm, 6.59 pm, 7.02 pm, 7.05 pm, 7.08 pm, 7.11 pm, 7.14 pm, 7.17 pm, 7.20 pm, 7.23 pm, 7.26 pm, 7.29 pm, 7.32 pm, 7.35 pm, 7.38 pm, 7.41 pm, 7.44 pm, 7.47 pm, 7.50 pm, 7.53 pm, 7.56 pm, 7.59 pm, 8.02 pm, 8.05 pm, 8.08 pm, 8.11 pm, 8.14 pm, 8.17 pm, 8.20 pm, 8.23 pm, 8.26 pm, 8.29 pm, 8.32 pm, 8.35 pm, 8.38 pm, 8.41 pm, 8.44 pm, 8.47 pm, 8.50 pm, 8.53 pm, 8.56 pm, 8.59 pm, 9.02 pm, 9.05 pm, 9.08 pm, 9.11 pm, 9.14 pm, 9.17 pm, 9.20 pm, 9.23 pm, 9.26 pm, 9.29 pm, 9.32 pm, 9.35 pm, 9.38 pm, 9.41 pm, 9.44 pm, 9.47 pm, 9.50 pm, 9.53 pm, 9.56 pm, 9.59 pm, 10.02 pm, 10.05 pm, 10.08 pm, 10.11 pm, 10.14 pm, 10.17 pm, 10.20 pm, 10.23 pm, 10.26 pm, 10.29 pm, 10.32 pm, 10.35 pm, 10.38 pm, 10.41 pm, 10.44 pm, 10.47 pm, 10.50 pm, 10.53 pm, 10.56 pm, 10.59 pm, 11.02 pm, 11.05 pm, 11.08 pm, 11.11 pm, 11.14 pm, 11.17 pm, 11.20 pm, 11.23 pm, 11.26 pm, 11.29 pm, 11.32 pm, 11.35 pm, 11.38 pm, 11.41 pm, 11.44 pm, 11.47 pm, 11.50 pm, 11.53 pm, 11.56 pm, 11.59 pm, 12.02 pm, 12.05 pm, 12.08 pm, 12.11 pm, 12.14 pm, 12.17 pm, 12.20 pm, 12.23 pm, 12.26 pm, 12.29 pm, 12.32 pm, 12.35 pm, 12.38 pm, 12.41 pm, 12.44 pm, 12.47 pm, 12.50 pm, 12.53 pm, 12.56 pm, 12.59 pm, 1.02 pm, 1.05 pm, 1.08 pm, 1.11 pm, 1.14 pm, 1.17 pm, 1.20 pm, 1.23 pm, 1.26 pm, 1.29 pm, 1.32 pm, 1.35 pm, 1.38 pm, 1.41 pm, 1.44 pm, 1.47 pm, 1.50 pm, 1.53 pm, 1.56 pm, 1.59 pm, 2.02 pm, 2.05 pm, 2.08 pm, 2.11 pm, 2.14 pm, 2.17 pm, 2.20 pm, 2.23 pm, 2.26 pm, 2.29 pm, 2.32 pm, 2.35 pm, 2.38 pm, 2.41 pm, 2.44 pm, 2.47 pm, 2.50 pm, 2.53 pm, 2.56 pm, 2.59 pm, 3.02 pm, 3.05 pm, 3.08 pm, 3.11 pm, 3.14 pm, 3.17 pm, 3.20 pm, 3.23 pm, 3.26 pm, 3.29 pm, 3.32 pm, 3.35 pm, 3.38 pm, 3.41 pm, 3.44 pm, 3.47 pm, 3.50 pm, 3.53 pm, 3.56 pm, 3.59 pm, 4.02 pm, 4.05 pm, 4.08 pm, 4.11 pm, 4.14 pm, 4.17 pm, 4.20 pm, 4.23 pm, 4.26 pm, 4.29 pm, 4.32 pm, 4.35 pm, 4.38 pm, 4.41 pm, 4.44 pm, 4.47 pm, 4.50 pm, 4.53 pm, 4.56 pm, 4.59 pm, 5.02 pm, 5.05 pm, 5.08 pm, 5.11 pm, 5.14 pm, 5.17 pm, 5.20 pm, 5.23 pm, 5.26 pm, 5.29 pm, 5.32 pm, 5.35 pm, 5.38 pm, 5.41 pm, 5.44 pm, 5.47 pm, 5.50 pm, 5.53 pm, 5.56 pm, 5.59 pm, 6.02 pm, 6.05 pm, 6.08 pm, 6.11 pm, 6.14 pm, 6.17 pm, 6.20 pm, 6.23 pm, 6.26 pm, 6.29 pm, 6.32 pm, 6.35 pm, 6.38 pm, 6.41 pm, 6.44 pm, 6.47 pm, 6.50 pm, 6.53 pm, 6.56 pm, 6.59 pm, 7.02 pm, 7.05 pm, 7.08 pm, 7.11 pm, 7.14 pm, 7.17 pm, 7.20 pm, 7.23 pm, 7.26 pm, 7.29 pm, 7.32 pm, 7.35 pm, 7.38 pm, 7.41 pm, 7.44 pm, 7.47 pm, 7.50 pm, 7.53 pm, 7.56 pm, 7.59 pm, 8.02 pm, 8.05 pm, 8.08 pm, 8.11 pm, 8.14 pm, 8.17 pm, 8.20 pm, 8.23 pm, 8.26 pm, 8.29 pm, 8.32 pm, 8.35 pm, 8.38 pm, 8.41 pm, 8.44 pm, 8.47 pm, 8.50 pm, 8.53 pm, 8.56 pm, 8.59 pm, 9.02 pm, 9.05 pm, 9.08 pm, 9.11 pm, 9.14 pm, 9.17 pm, 9.20 pm, 9.23 pm, 9.26 pm, 9.29 pm, 9.32 pm, 9.35 pm, 9.38 pm, 9.41 pm, 9.44 pm, 9.47 pm, 9.50 pm, 9.53 pm, 9.56 pm, 9.59 pm, 10.02 pm, 10.05 pm, 10.0

More than you expect.



The new Rover 2300.

Offers all the style, prestige and saloon/estate car versatility of the distinguished Rover range. With the new velour seats and cut pile carpeting in a new, colour-harmonised interior. New, rich body colours with the latest anti-corrosion paint treatment. Twin speaker push-button radio. Integral door-open warning lights. Comprehensive illuminated controls and instruments.

Top speed 114mph
0-60 in 11.5 seconds
32.9mpg at 56mph.

The new Rover 2300S.

The important newcomer to the range. Precision, power-assisted steering. Luxurious velvet upholstery with front seat lumbar supports. Central 5-door locking control. Stainless steel bumpers and wheel trims. Powerful 4-beam Halogen headlamps. Glove box and map lights. Full carpeting extended to the impressively large boot area. Four tasteful interior colour themes.

Top speed 114mph
0-60 in 11.5 seconds
32.9mpg at 56mph.

The new Rover 2600S.

This model—as illustrated—exemplifies the high levels of comfort, luxury and refinement offered by the new Rovers.

The 2600S has a steel sliding sun-roof. Windows are electrically operated: rear windows have a safety isolation switch. Self levelling rear suspension—characteristic of Rover's high design safety and engineering qualities—is fitted as standard. The new-ratio 5th gear provides even better fuel economy.

Top speed 119mph
0-60 in 10.7 seconds
39.6mpg at 56mph.

The new Rover 3500SE.

Powered by the outstanding Rover aluminium V8 engine. Electronic ignition. Alloy wheels fitted with road-hugging wide section tyres. Twin Halogen front foglamps. A steel sun-roof. And a very distinguished level of appointment, including tinted glass all round, a distinctive coachline, rear seat belts, and 4-speaker radio/stereo cassette entertainment.

Top speed 126mph
0-60 in 3.6 seconds
36.3mpg at 56mph.

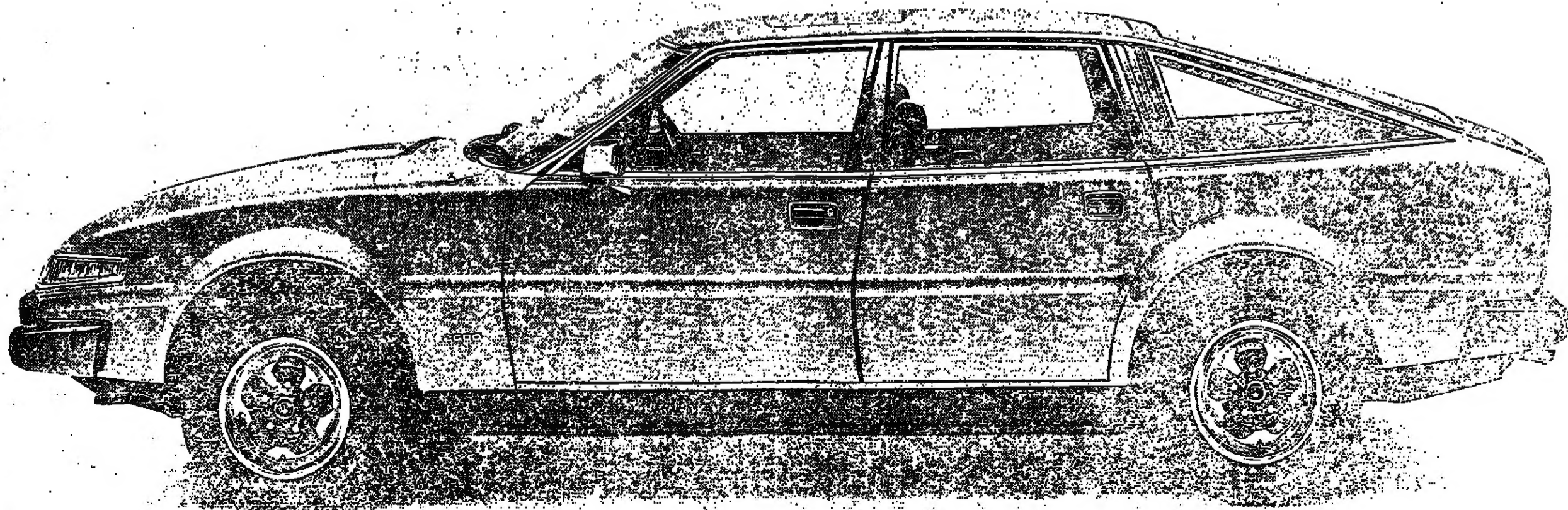
The new Rover Vanden Plas.

The ultimate Rover. Equipped with electronic cruise control for relaxed, economic driving. Electrically operated steel sun-roof. Electrically adjusted and demisted door mirrors. Connolly leather or hairline velvet upholstery. Bronze tinted glass with special zone tinted windscreen. Exclusive bodyside anti-rub strip. Power-washed headlamps. A smooth, automatic gearbox. Head restraints front and rear.

Top speed 123mph
0-60 in 9.0 seconds
31.5mpg at 56mph.

For less than you expect.

Prices from £6758.64*



Rover. Success breeds success.

Govt. Fuel Consumption Fig. - mpg (l/100km). Rover 2300 and 2300S 4-speed, Urban 17.5 (16.1), 56 mph (90km/h); 32.9 (8.6), 75 mph (120km/h); 27.4 (10.3). 2300 and 2300S with optional 5th gear, Urban 18.1 (15.5), 56 mph (90km/h); 36.1 (7.9), 75 mph (120km/h); 27.5 (10.1). Vanden Plas (automatic), Urban 19.1 (14.8), 55 mph (90km/h); 31.6 (8.5), 75 mph (120km/h); 25.3 (10.2). Performance Fig. - 0-60 in seconds. Check Yellow Pages for your nearest Rover Dealer. *Rover prices: 2300 £6758.64, 2300S £7944.92, 2600S £8709.62, 3500SE £10788.92, Vanden Plas £12474.53. Prices inclusive of Car Tax and VAT. Delivery number plates and options extra. Price correct at time of going to press.

HOME NEWS

European commission rejects Liberal view of British poll system

By Lucy Hodges

The case brought by the Liberal Party alleging that the British electoral system contravenes the European Convention on Human Rights has been rejected, it was disclosed yesterday.

The European Commission of Human Rights decided at its last session that the case should be declared "inadmissible", that is, that there was no prima facie case. It has not yet given its reasons but it is well known that the commission did not view the case with favour.

The Liberals were arguing that the first-past-the-post system for British elections causes discrimination against a political minority. The commission is believed to have viewed that as a highly political case of the kind which should be decided by the country itself and not by an outside body.

None of the cases that have gone to the commission to date has been successful. The Liberal Party has not been declared admissible, the first hurdle in the commission's lengthy procedure.

At its last session the commission decided to pursue a complaint brought by Mr Denis

Lemon, the editor of *Gay News*, who is claiming that his conviction for blasphemous libel in 1979 contravened the European convention. It has asked the United Kingdom Government for its views on whether it should hear the case.

It also decided to pursue seven complaints brought by women who are prevented by the new immigration rules from bringing their husbands or fiancés into Britain to live with them.

The commission decided not to refer two cases to the European Court of Human Rights. These cases concern deportation proceedings for immigrants, involving detention (the *Capricorn* case) and the question whether prisoners serving a life sentence can marry.

In the case of *Francis Capricorn*, an Italian immigrant who was arrested, imprisoned and told he would be deported because his presence was not considered conducive to the public good, it is understood that the commission found no violation of the convention. The deportation order was rescinded by the Home Secretary of the time.

Don would welcome an inquiry on leak charge

By John Withrow

A Cambridge don branded as a "traitor" in a dispute within the English faculty yesterday that he would welcome a university investigation into allegations that he and others had leaked accounts of confidential meetings.

Dr John Harvey, of Emmanuel College, was responding to reports that his opponents within the faculty, at present divided by its most bitter dispute for 50 years, intended to ask for an investigation by the university's ancient court, the Septem Viri.

Consisting of seven distinguished dons, the Septem Viri can investigate allegations that members have broken accepted confidentiality about faculty board meetings and if necessary can take disciplinary action.

The dispute centres on the

refusal of the faculty's appointment committee to give a permanent position to Colin McCabe, an assistant lecturer in the department for five years, after he had twice been recommended.

Supporters of Dr McCabe see the refusal to promote him as a move by the more traditional dons to prevent the spread of an approach to English literature known as structuralism.

Dr Harvey has denied those allegations and claimed that the feeling among the dons was that Dr McCabe was denied a permanent post because of his teaching abilities.

Dr Stephen Heath, a supporter of Dr McCabe, who has called for a debate on the subject in the Senate, yesterday denied a newspaper report that he had instructed a lawyer to prepare a libel action against Dr Harvey.

Housing body decision day

By Our Social Services Correspondent

The future of the Family Housing Association, whose affairs have been in effect frozen by the Government because of a £500,000 deficit, is expected to be decided today.

The supervision panel and board of the Housing Corporation discussed the association's affairs yesterday amid fears that recommendations from a special manager appointed by the corporation would be ignored.

The Association's difficulties arise from a moratorium imposed on its building programme by the Department of the Environment and the corporation in 1978 which remained in force for nine months.

Last September a new grant of £350,000 was agreed to prevent the association from going into liquidation, and Mr Ian Watts was appointed by the corporation as special manager to investigate its affairs.

Mr Watts is believed to have recommended that the Association should be allowed to retain a smaller housing development programme, producing about 50 units a year.

gramme by the Department of the Environment and the corporation in 1978 which remained in force for nine months.

Last September a new grant of £350,000 was agreed to prevent the association from going into liquidation, and Mr Ian Watts was appointed by the corporation as special manager to investigate its affairs.

Mr Watts is believed to have recommended that the Association should be allowed to retain a smaller housing development programme, producing about 50 units a year.

Food chemical hazard unresolved

By Hugh Clayton

Agriculture Correspondent

Government scientists did not know if a chemical flavouring found to cause illness in rats was still being used in food processing, the Ministry of Agriculture, Fisheries and Food said yesterday.

The substance, versalide, which was stated by the ministry last year to have been associated with nervous disorders in rats which lead to weakness and lack of coordination in the limbs.

The ministry was then supplying information for an inquiry about flavourings by a select committee of the Lords. It had asked for information after hearing from Dr E. Fisher, a principal scientific officer on the food standards committee of the ministry, that versalide was a chemical about which "there have been toxicological doubts expressed".

The ministry said that government scientists had been told in 1976 that versalide was used in some processed desserts, sugar confectionery and baked goods. The substance was examined then by the toxicity subcommittee of the Government's committee on medical aspects of chemicals in food.

The subcommittee said that further research was necessary.

ation after hearing from Dr E. Fisher, a principal scientific officer on the food standards committee of the ministry, that versalide was a chemical about which "there have been toxicological doubts expressed".

The ministry said that government scientists had been told in 1976 that versalide was used in some processed desserts, sugar confectionery and baked goods. The substance was examined then by the toxicity subcommittee of the Government's committee on medical aspects of chemicals in food.

The subcommittee said that further research was necessary.

Daunting challenge faces new Merseyside organization Bringing dead dockland to life

Mr Basil Bean, chief executive of the embryo Merseyside Development Corporation, looked out of his office window on to a stretch of disused dock buildings and an even larger stretch of mud and asked: "What do you suggest we can do to bring life back to the river?"

Mr Bean, aged 48, lately General Manager of the Northampton Development Corporation and with a long background of local government administration, obviously has his own ideas.

His organization, due to become a legal entity in March, has the daunting challenge of restoring prosperity (regeneration is the official word) to the almost moribund dockland areas between the Dingle and Bootle on the east side of the river and around Wallasey and Birkenhead on the west bank.

The west bank used to be called the Cheshire or the Wirral side, before some people occasionally referred to it as bureaucrats altered the labels in those parts.

The Merseyside Development Corporation (there is only one other of its kind, dealing with an area known vaguely to northerners as London Dockland) should have been legalized by now, but a hybrid Bill still hangs in the air, with various parliamentary stages.

Mr Bean must carry on in his temporary offices with a small staff until the Bill is passed, when he will be allowed to recruit between 50 to 60 people, including experts in their fields, with the usual

The stretch of dockland on the east side, from Liverpool Pierhead down river to Bootle seems to offer the best opportunities for an early start, according to Mr Bean.

There are many ideas for regenerating the south docks area, including one, put forward by a firm of commercial developers, for the conversion of the Albert Dock into a trading, export and exhibition complex. That has been the subject of a public inquiry, just completed.

The crucial issue for Mr Bean and his colleagues, however, may still be how to bring back life to the River Mersey which some of us remember as bustling with inward and outward bound transatlantic liners, rags and ferries plying hither and thither, and always a fine scene to watch either over a railing on the pierhead or a ferry boat while sneaking in a lunchtime break.

This correspondent, to whom Mr Bean's first question was addressed, could only suggest that maritime life may return to the upper reaches of the Mersey only if the maritime museum project, already launched in a small way, is encouraged, some large historic ships drawn into it, and the growing and the population of marine archaeology enthusiasts drawn in too.

Too many of them nowadays seem to be attracted to St Katharine's Dock in a place called London, England.

In brief

Blue asbestos fine on council

Buckinghamshire County Council was fined £800 yesterday at High Wycombe Magistrates' Court for failing to take precautions in handling blue asbestos, which is liable to cause cancer.

The asbestos had been used to insulate pipework in the kiln boiler room at Buckinghamshire College of Further Education, High Wycombe, it was stated.

Mr Raymond Johnson-Smith, a technician, had worked on the pipes without protective equipment to prevent inhalation, the prosecution said. The county council admitted a breach of the Health and Safety at Work Act.

Court reduces sentence

Graham George Sheehan, who was given a two-year jail sentence a year ago for his alleged part in a raid on the country home of Lord Carrington, the Foreign Secretary, was cleared of burglary by the Court of Appeal yesterday.

Mr Sheehan, a labourer, of Chinnor Road, Thame, Oxfordshire, had a conviction of burglary and a 21-month jail sentence substituted by Lord Justice Shaw, sitting with Mr Justice Bristow and Mr Justice Hodgson.

Noose girl dies

Claire Taylor, aged four, of Scawthorpe, Doncaster, South Yorkshire, who was found dangling unconscious in a ribbon "noose" after she slipped from a chair while making a garden swing, died in hospital yesterday.

£100,000 raid

Four masked and armed raiders escaped with more than £100,000 after threatening security guards outside a Co-operative store in Slade Green, Kent, yesterday.

Postmen for trial

Two postmen and four postal workers at Marylebone, accused of conspiring to steal mail, were sent from Marlborough Street Magistrates' Court yesterday on bail for trial at Knightsbridge Crown Court. They are further charged with stealing a postal packet.

Royal nursery pupil

Peter Phillips, aged three, Princess Anne's son, yesterday joined 24 village children for his first full week at nursery school at Minchinhampton Gloucestershire, near the royal estate at Getcombe Park.

Footballer fined

Frank Worthington, aged 32, the Birmingham City footballer, was fined £75 by magistrates at Cannock, Staffordshire, yesterday, for speeding.

Radio job for Mrs Foot

Miss Jill Craigie, wife of Mr Michael Foot, the Opposition Leader, is to become a political commentator with Capital Radio in London.

Other home news page 8

WEST EUROPE

Revolt on defence strains Bonn coalition

From Patricia Clough Bonn, Jan 26

Herr Helmut Schmidt, the West German Chancellor, is facing fresh trouble from the heels of last week's political crisis in West Berlin with a rebellion by 24 deputies in his Social Democrat Party in Bonn over defence.

The new difficulties come on top of strains and rifts which have been increasing in the SPD-Free Democrat coalition since its election victory on October 5.

The 24 deputies have caused embarrassment to the Government by presenting a resolution to the SPD parliamentary party demanding that defence spending be cut by 1,000m marks (£210m) and that the money be used for development aid.

According to Herr Herbert Wehner, the SPD floor leader, the move is linked with efforts to obtain approval of the dual NATO resolution to station new medium-range nuclear missiles in Europe and to negotiate with the Soviet Union on reducing the number of such weapons.

Some SPD members maintain that the party's consent was given on the understanding that the United States would approve the SALT 2 treaty, which it has not.

The resolution strikes at the Government's whole defence policy and, since conservative American circles are highly sensitive to suggestions of

faithlessness in Bonn, would hardly improve the Government's image with the Reagan Administration.

The resolution also conflicts with the position of the FDP whose leader, Herr Hans-Dietrich Genscher, the Foreign Minister, has warned that such a move would be "extremely dangerous" for West Germany.

The resolution, being discussed today, looks unlikely to be carried but the trouble will almost certainly live on. It has shown that the number of SPD deputies prepared to oppose Herr Schmidt on defence has doubled since the elections.

Although his majority is also larger, if the 24 stick to their guns on such an issue in the Bundestag the Government would not win without help from the Opposition.

Meanwhile, the Social Democrats were preparing to fight hard to retain power in West Berlin in the fresh elections which were called after last week's crisis.

The importance of West Berlin to West German politics has been underlined by the fact that the Chancellor is supporting his most valued minister and most likely successor, Herr Hans-Jochen Vogel, in his attempt to become Chief Burgomaster of the city.

If the Social Democrats should lose power which they have held in the city, with one brief interruption, since 1947 it would inevitably be seen as a defeat because of the end of their rule in Bonn.

Herr Vogel, who was Justice



Herr Schmidt ponders over the latest crisis to affect his troubled coalition.

Minister, has the unenviable task of cleaning up a party discredited by scandals, and winning the elections against competition from an eminent and highly-respected liberal

Christian Democrat, Herr Richard von Weizsäcker. But he has little time to show results before the elections, which appear likely to be held in the early summer, and

further evidence of SPD maladministration may well appear by then.

The acceptance of Herr Vogel by Berlin's House of Representatives on Friday has given Herr Schmidt a breathing space until the city's elections. But the malaise in the coalition, which came to the surface again in Berlin, continues.

Things have not gone well since the Free Democrats increased their share of the vote in the October elections and insisted on correspondingly greater influence in the coalition, while the Social Democrats resented giving way. Differences have arisen on a number of issues and in Berlin some Free Democrats were not averse to switching over to the Christian Democrats.

But although they have the power to bring about a change of government and may secretly be tempted to do so, the Free Democrat leaders are not prepared to move.

They point out that their votes at the election came largely from people who wanted them to continue in the coalition as a moderating influence. They have committed themselves and will not pull out unless the SPD made government impossible and the public clearly demanded a change.

Such a crisis is not inconceivable. The rebellion over defence is a sign that some SPD members, at least, are not prepared to go along with compromises which they feel they cannot support.

232 arrest warrants for Mafia nets 123

From John Earle Rome, Jan 26

In a nationwide operation 123 members of the Mafia gangs operating along the west coast of Calabria were arrested at dawn today. They were accused of conspiracy, extortion and undertaking protection rackets in southern Italy, which is second only to Sicily as home of the Mafia or the *Ndrangheta* as it is called in the Calabrian dialect.

Carabinieri carried out the arrests in towns as far north as Turin and San Remo. Although 232 arrest warrants were issued, some of those involved are already in prison on other charges, while the rest are being sought.

Among those held is Signora Concetta Rotura, a companion of Signor Michelangelo Franchini, the head of a gang who has been wanted for 25 years but never found. Specific charges against the purported members of two other gangs include the murder of the local Communist Party secretary at Rosarno near the new industrial area of Gioia Tauro, and a series of kidnappings in Rome, Milan and Genoa.

The authorities evidently hope to break the back of the Mafia in the province of Reggio Calabria, but previous experience from large-scale crackdowns in the south of Italy suggests that the effect is likely to be temporary.

French Communists switch tactics to fight election on two fronts

From Charles Hargrove Paris, Jan 26

Since the breakdown of the left alliance three years ago, the Communist Party's enemy number one has been M. Francois Mitterrand, the Socialist leader, and his party—all that changed last week.

The Communist objective had been to group the Socialists winning at the polls—at whatever costs, even if that meant keeping President Giscard d'Estaing and the "reactionary" policy of big capital in power.

M. Georges Marchais, the Communist leader, could have applied been described as the President's most valuable ally in the coming presidential contest—this despite M. Marchais's claim—when he put himself forward as his party's candidate for the Elysée, that he represented the only genuinely "anti-Giscard" candidate in the lists.

M. Marchais had solemnly proclaimed that while other candidates for the presidency were indulging in an undignified campaign of personalities and scandals, including the Bokassa diamonds and the suicide of M. Robert Boulin, the former Labour Minister, he would insist, as he said last October, on a real debate about issues in a dignified atmosphere.

However, last week the Communist leader switched tactics and began gunning for the

President with a personal virulence which hitherto had been the hallmark of M. Mitterrand's sharp internal cut and thrust manner.

M. Marchais had once affected to scorn such tactics as unworthy of his party and himself. Then he deemed it unnecessary to resort to "personal attacks as a weapon of political combat".

Now the President seems to have taken over from M. Mitterrand as the French Communist Party's per hater. This impression is strengthened by the fact that on the very same day when he lashed out at M. Giscard d'Estaing, M. Marchais—

at a meeting in Rennes—declared: "Is my enemy the Socialist Party? No, absolutely not. My enemy is the policy of unemployment, of austerity for the workers, of restrictions of freedoms."

"Enough of this President without scruple who does not even shrink from the benefits for a family of all of whose members have built their careers and their fortunes on the frontiers of politics and finance, in that world of money where no title of nobility ever confers nobility of heart or mind," he said.

"Why this sudden change of tactics? The explanation that it was triggered off by the recent decision of the Conseil d'Etat

against the door-to-door canvassing of support for the party in some Communist municipalities in Paris was not quite satisfying.

The reason lies deeper. The strategy of the French Communist Party in the past couple of years has never been simple. To gun for the Socialists while pretending to demolish the right has taken some doing.

There have been signs that it has not been overly successful. As one commentator aptly put it, people find it hard to understand how M. Mitterrand, who is in opposition, can be more to blame than President Giscard d'Estaing for all the alleged woes.

The series of by-elections last autumn, showed that the Communist leadership's anti-socialist line was on the whole not appreciated and not obeyed, and opinion polls have confirmed this analysis.

M. Marchais therefore decided to adjust his tactics. But this does not mean that M. Marchais is any keener to see M. Mitterrand installed in the Elysée Palace in place of President Giscard d'Estaing.

The Communist Party, under his inspiration, wants to be both in the van of the battle against the one, while effectively blocking the ambitions of the other.

Its aim is to ensure that the Communists emerge in the long run as the strongest party of the left, which it is not at present.

The party does not want to be the fifth wheel of a Socialist Government, which would incur the inevitable odium of having promised the moon and proving unable to deliver it.

In the meantime, M. Marchais wages war on two fronts. He responds to the grass roots sentiment in his own party by indulging in personal attacks against the President, but at the same time, he effectively frightens away Gaullists and members of the road voters whom M. Mitterrand needs if he is to have any chance of winning by resurrecting the threat that if the left should triumph, his party would demand its share of the spoils and is ready to shoulder responsibility in a Socialist Government.



Elysée rivals: M. Mitterrand (left), the Socialist leader, and the unpredictable M. Marchais, the Communist leader.

Community assures Spain that entry date stands

From Michael Horneby Brussels, Jan 26

Mr Gaston Thorn, President of the European Commission, today assured Spain that the date for the Community's entry into force of the EEC, that the Community was still aiming at January 1, 1984, as the date for Spain's entry.

Mr Gaston Thorn recently ruffled feathers in Madrid by stating that the timing of Spanish entry would depend on how quickly the EEC completed the internal financial reforms on which it is to embark later this year.

It is not clear what Mr Thorn's pledge is worth since the pace of entry negotiations with both Spain and its neighbour Portugal will be determined essentially by EEC member states, among whom France is adamantly opposed to Spanish entry before completion of the internal reforms.

Mr Thorn also told Señor Punsat that the EEC would try to clear the easier negotiating

obstacles out of the way by the end of the summer, leaving the most difficult issues, such as agriculture, fisheries, removal of industrial tariffs and fiscal questions to be tackled later.

In a separate meeting with Viscount Etienne Davignon, the EEC Commissioner in charge of industry, Señor Punsat offered to reduce Spain's steel exports to the Community by 15 per cent this year.

A condition of this offer, however, was that the EEC should also reduce its steel exports to Spain. Spanish steel sales to the Community have been running well above the voluntary limits.

Accepted earlier, but EEC exports to Spain have also risen eliminating Spain's traditional surplus in this trade.

Senior Punsat is coming under increasing pressure from Spanish industrialists, who for many years have sheltered behind high tariffs, to secure protectionist safeguards against the impact of entry to the EEC's customs union.

Scientists working on spy satellites for UN

Paris, Jan 26.—A little-known group of space scientists have been working here for the past two years on France's proposal, adopted by the United Nations General Assembly in 1978, to "police" the world with spy satellites monitoring troop movements and war preparations.

The basic idea is that, just as the United Nations has sent military contingents to such trouble spots as Katanga, Cyprus, Lebanon and Egypt, it should undertake similar missions with "spy satellites".

Both the United States and the Soviet Union have their own satellite surveillance system, photographing military and economic installations, but this information remains a secret in Washington and Moscow.

In May, 1978, France drew up a proposal under which there would be an international satellite control system operated by the United Nations. In December of that year the General Assembly adopted by

113 votes to nil, with 13 abstentions, a resolution urging that a group of government experts should study ways of creating such a system.

This group, presided over by a French military specialist, M. Hubert Bortzmeyer, is due to deliver its final report next week. It will then be debated in the General Assembly.

M. Hubert Curien, head of the National Centre of Space Studies, explained today that the system would have to be introduced by phases over "suspect areas" of the world.

In the second phase, the newly formed international agency would have to request its own special satellite communication wavelengths and make all the necessary arrangements with fellow-users. Finally, the agency would have to launch its own "spy" satellites.

The minimum cost of making the United Nations system operational would be an estimated £312m to £415m, Agence France-Press.

Driver's death by vandals stops Paris trains

From Ian Murray Paris, Jan 26

All trains serving the northern suburbs of Paris were stopped today by a strike called after a driver was killed on Saturday evening by a chunk of concrete deliberately thrown from a road bridge over the tracks near Aubervilliers.

The strike was a spontaneous act of solidarity working on the network who have been increasingly alarmed in recent months by the growing incidence of vandalism against trains.

In one case a driver just had time to fling himself to the floor when he saw a piece of concrete dangling from a wire at the level of his cabin window as the train emerged from a tunnel. The concrete smashed into the cab as the train was travelling at nearly 60 mph.

The weekend's more serious accident could have been caused in a similar way. The train, which links Paris with Charles de Gaulle airport, was travelling at nearly 80 mph when the concrete smashed the

windscreen, causing the driver fatal injuries. The train itself slowed and stopped when the driver released his hold on the "dead man's handle".

In 1979 there were 741 acts of vandalism reported on French railways, and last year the number rose to more than a thousand, according to returns so far.

The attacks have included several by snipers, using rifles, as well as large numbers of stone-throwing incidents involving children.

Last May a group of four boys put several blocks of concrete on the tracks of France's experimental high speed train "to see what the effect would be" when it hit them at 100 mph. Fortunately, the concrete was simply ground to powder.

The Paris Metro service was slightly disrupted today by a strike called in protest at a new signalling system, which the unions claim has caused several accidents, including one last week which killed a young woman.

Searchers find five bodies from Greek ship

Bodo, Norway, Jan 26.—

Five bodies were recovered from empty dinghies and the sea today near where the 29,689-ton Greek cargo ship *Deimos* sank yesterday.

Twenty-nine members of the crew were picked up by helicopters from lifeboats yesterday and, according to the rescue headquarters here, three crewmen are still missing. The search for other possible survivors continued near the island of Vega.

OVERSEAS

Solidarity leader tries to avert clash over farmers' dispute

Warsaw, Jan 26.—Mr Lech Walesa, the Solidarity leader, was in Rzeszow today in an effort to avert a clash between the Government and about 300 workers and farmers who continued a sit-in for the twenty-fourth day.

Meanwhile, a student protest in Lodz, south-west of Warsaw, is spreading. Students at the local university started an occupation strike several days ago and an estimated 1,000 students of the medical faculty followed suit with a sit-in last Friday.

They were demanding from the Government such concessions as abolition of compulsory classes in Marxist philosophy and economics. They also wanted a ban on police intervention to restore order at the university.

A spokesman for the Gdansk headquarters of Solidarity who reported Mr Walesa's departure, announced that the union's national coordinating commission would, for the first time, hold part of its meeting this week in Rzeszow.

The Warsaw branch of Solidarity unveiled plans for a general strike throughout the region on February 3 as part of a nationwide campaign to force the authorities to honour promises made to strikers last summer.

Both the union and the Government say they are ready to hold far-reaching talks on the whole range of their disputes, but by early afternoon today neither party had reported any schedule for negotiations.

The Poliburo of the Communist Party met Mr Stanislaw Kania, the party leader, today to review the general situation, a government spokesman said. "There is readiness for talks on the government side but no date has yet been fixed", the spokesman described him as "a peasant farmer who has been staging the sit-in at Rzeszow are trying to force the authorities to legalize a Rural Solidarity union."

One big industrial plant in every region is being asked to call a two-hour warning strike on Wednesday in accordance with a decision by Solidarity's national consultative commission to make it a day of struggle for Rural Solidarity.

The Rzeszow farmers, who are spearheading the Rural Solidarity campaign, threatened that further strikes would follow if the authorities still refused to budge.

The Supreme Court earlier this month suspended indefinitely a ruling on the legality of the farmers' union. The authorities say they are adamantly opposed to such an organization.

Czechoslovakia's official press said today that Mr Walesa was "radicalized" by his recent trip to Rome, where he visited the Pope, *Ruiz Pruvot*, the Communist Party daily also renewed accusations that Solidarity was trying to disrupt Poland's economy and that the West was guilty of "gross interference" in the country.

In another barrage, Czechoslovakia's official news agency CTK said the Polish independent labour movement appeared to be seeking a "permanently tense situation" in the country.

Reuter and AP. French help: The French trade union organization Force Ouvrière plans to send two lorry loads of supplies to Solidarity (Agence France Presse writes from Paris).

The latest letter with paper, ink, stencils, printing materials and International Labour Organization documents translated into Polish, will get under way as soon as the union has been granted the necessary entry visas and possibly as soon as tomorrow morning, M. Andre Berserou, the union's secretary general, said.

Nobel nomination: Señor Adolfo Pérez Esquivel of Argentina, the 1980 Nobel peace prize laureate, today proposed Mr Lech Walesa for this year's prize, describing him as "a symbol for liberation and a fighter for world peace." (Reuter writes from São Paulo).

He told a press conference he had already nominated Walesa in a letter to the Nobel committee in Oslo.

French seek Nigerian support against Libya

From Ian Murray

Paris, Jan 26.—Chad and Libya will be the central topic discussed at a series of meetings arranged here this week for Mr Ishaiah Adu, the Nigerian Foreign Minister. His official visit began today with a meeting with President Giscard d'Estaing.

Nigerian relations with France have been cool since Nigeria supported Biafra in the civil war over a decade ago. Nigeria has also been somewhat alarmed by what it considers to be continuing French imperialism.

The proposed merger between Chad and Libya has gone a long way towards smoothing relations again, with both France and Nigeria viewing the Libyan advance with equal concern. Nigeria, with its great oil reserves, is seen in France as a particularly stable nation in the area and of vital importance as a bastion against the expansionist ideas of President Gaddafi of Libya.

Like France, Nigeria wants to see the territorial integrity of Chad retained, although there are some reservations on the Nigerian side about the wisdom of France sending extra troops to Chad's neighbour.

Afghan guerrilla groups increasingly divided

From Hasan Akhtar

Islamabad, Jan 26.—The differences among the various groups of Afghan guerrillas seem to be becoming sharper, at a time when they expect all the Islamic states and other nations opposed to Soviet expansionism to take effective steps to force the Soviet Union to withdraw from Afghanistan.

Today a leader of one of the Afghan groups accused the leaders of two others invited to the Islamic summit in Taif, Saudi Arabia, of being opposed to the Islamic character of the revolution in Afghanistan. Mr Qazi Muhammad Amin Waqad, chairman of the political committee of the extreme right-wing Hizb-e-Islami, Afghan, said even suggested that Mr Syed Ahmed Gijani, leader of National Islamic Front of Afghanistan and Sibghatullah Mujaddidi, leader of Afghan National Liberation, who are attending the Islamic summit, were influenced by pro-communist elements in Afghanistan.

Mr Qazi Waqad alleged that these two leaders were even responsible for misuse of aid to the Afghan refugees. He failed to say how they were misusing the aid, but said assistance offered to them and their colleagues was a misuse of the Islamic cause.

Mr Qazi Waqad also described the Pakistani efforts to get a dialogue with Kabul under United Nations auspices as of no importance to him and his party. He said that the Islamic Front of Afghanistan would not be acceptable to the mujahideen (guerrillas) would not be acceptable to the Islamic Front of Afghanistan.

He called on the heads of Islamic states to send a study mission to Afghanistan for immediate action. He said that the Islamic Front of Afghanistan would not be acceptable to the mujahideen (guerrillas) would not be acceptable to the Islamic Front of Afghanistan.

Mr Qazi Waqad alleged that these two leaders were even responsible for misuse of aid to the Afghan refugees. He failed to say how they were misusing the aid, but said assistance offered to them and their colleagues was a misuse of the Islamic cause.

Mr Qazi Waqad also described the Pakistani efforts to get a dialogue with Kabul under United Nations auspices as of no importance to him and his party. He said that the Islamic Front of Afghanistan would not be acceptable to the mujahideen (guerrillas) would not be acceptable to the Islamic Front of Afghanistan.

He called on the heads of Islamic states to send a study mission to Afghanistan for immediate action. He said that the Islamic Front of Afghanistan would not be acceptable to the mujahideen (guerrillas) would not be acceptable to the Islamic Front of Afghanistan.

Cool meeting between two presidents

Continued from page 1

blow to Muslim hopes and aspirations "at a time when our total effort should have been devoted to meet the grave challenges in Palestine and Afghanistan."

But the Afghan Government, like the Iranian Government, had sent no delegate to the summit that marks the dawn of the Muslim fifteenth century.

The Iranian flag, trapped on the aluminium staff outside the conference chamber but there

was not one spokesman for the nation which has created so unprecedented an upheaval in the Muslim world. The Afghan people were represented by a powerful clutch of rebel leaders who could be permitted to attend the conference only as observers.

Egypt, for whom forgiveness has been gently proffered by the Saudis, showed no sign of abandoning its alleged betrayal of the Arab world. So the largest Arab nation did not even have its flag on display.

King Khalid, it is said, is earnestly persisting in his attempts to heal the enmity between Syria and Iraq. But President Assad and President Hussein did not even speak to each other when they sat a few feet apart in the Great Mosque at Mecca yesterday.

And when the Iraqi leader left the Conference Palace this afternoon more than 30 Iraqi security men protected his departure. It took all of five limousines to carry them away.

Announcing his company's plans to turn the *Sowetan* into a daily paper, Mr Hal Miller, the managing director of Argus, said that the paper's editor would be Mr Joe Larkson, who was acting editor of *The Post* at the time of its closure.

Mr Miller said that many of the work journalists who used to work on *The Post* would be employed by the new daily. However, it was necessary to refresh some of the editorial staff.

The new paper is the *Sowetan*, at present is published as a weekly. It is produced by the Argus Company which published *The Post* and before that *The World*, which was banned in 1977.

Announcing his company's plans to turn the *Sowetan* into a daily paper, Mr Hal Miller, the managing director of Argus, said that the paper's editor would be Mr Joe Larkson, who was acting editor of *The Post* at the time of its closure.

Mr Miller said that many of the work journalists who used to work on *The Post* would be employed by the new daily. However, it was necessary to refresh some of the editorial staff.

The new paper is the *Sowetan*, at present is published as a weekly. It is produced by the Argus Company which published *The Post* and before that *The World*, which was banned in 1977.

Announcing his company's plans to turn the *Sowetan* into a daily paper, Mr Hal Miller, the managing director of Argus, said that the paper's editor would be Mr Joe Larkson, who was acting editor of *The Post* at the time of its closure.

Mr Miller said that many of the work journalists who used to work on *The Post* would be employed by the new daily. However, it was necessary to refresh some of the editorial staff.

Hostage deal defended by Iranian Speaker

From Tony Alloway

Tehran, Jan 26.

An Iranian politician today confirmed reports of a split in the dominant Islamic Republican Party over the deal that freed the hostages.

Hojatollah Hashemi Rafsanjani, Speaker of the Parliament, was asked at his weekly press conference about a leading article in the party's newspaper *Islamic Republic*, which said that the biggest benefit of the crisis was the replacement of "liberals" by clerics in positions of power.

"Firstly, I should say that those who have written this... have themselves resigned after this development," he replied, without identifying them.

Mr Hassan Ayat, an extremist parliamentary deputy and a member of the IRP central council, was vehemently opposed to the settlement, but he did not appear to enjoy much support in the Parliament. The Speaker's statement indicated that the rift might go deeper into the wide coalition that makes up the IRP.

"He devoted most of his press conference to defending the terms of the hostage agreement against a rising chorus of protests. So did Mr Muhammad Ali Rajai, the Prime Minister, in a special speech to Parliament this morning."

In the Speaker's view, "the majority of people accept the deal... When we decided the hostages could no longer play a role in our policies, we brought an end to the issue."

Asked for Iran's reaction if the United States repudiated the agreement, the Speaker said: "I do not think the Americans are so stupid as to destroy their credibility in relation to their own undertakings."

"Of course, we would not



West Point welcome and a rest for the returning American hostages as their buses reach the military academy

stand idly by. We also have friends who will give us power, and we shall also work against American interests in other places."

Despite the benefits Iran saw in the hostage affair, it would not be repeated, he said. In Parliament Mr Rajai strongly defended the Government against what he described as two lines of criticism—those unhappy with the final terms and those totally against the hostagetaking itself.

He told the first group: "No other Government could have taken more undertakings from the United States than we did." The second group, Mr Rajai said, were simply, counter-

revolutionaries. "Those who say, in a word, that with the hostagetaking Iran became a hostage of the United States don't know the principles of revolution."

He acknowledged that only \$2,880m (£1,200m) of Iranian assets had been transferred so far to Iran, but said Iran had used most of the rest to repay loans and interest.

"This was good for us because, firstly, Iran could rid itself of loans imposed by the former regime and, secondly, Iran would not be obliged to pay interest sometimes as high as 22.5 per cent," he said. Severe problems: A dozen of the 52 freed hostages were suf-

fering severe, mostly psychological, problems after their 444 days of captivity, President Reagan was told today (David Cross writes from Washington).

At a briefing by Mr Alexander Haig, the Secretary of State Mr Reagan was also informed that most of the hostages wanted to get back to work as soon as possible. Reintegration in the work force was "extremely important to their mental health and their emotional well-being," Mr Haig said.

One of the "overwhelming concerns of the hostages was what the future would hold for their careers," Mr Haig said.

The hostages and the closest members of their families continued to relax today at the West Point military base near New York, out of sight of the television cameras.

Bank bombed: A bomb exploded outside the Bank Mellat in San Francisco early today, shattering windows in the bank and those in another bank across the street. There were no injuries (AP writes from San Francisco).

A telephone call to news agencies said the bomb was set off by the Jewish Defence League because of persecution of Iranian Jewry, but the league's state director denied responsibility.

Embassy wives in Luanda bake their own bread to avoid food queues

Plenty of fish in Angolan waters—for Russians

From Anthony Lewis

Luanda, Jan 26.—A drive around this sprawling city one morning makes a visitor immediately aware of Angola's No 1 problem: the distribution of food. There are queues outside the supermarkets waiting for the doors to open at 10 am; some have been there since the curfew ended at 6 am.

There is enough food in Luanda—much of it bought by the Government. But it is a time-consuming struggle to find this item or that, from day to day: bread, salt, soap, fruit. Embassy wives bake their own bread and grow their own vegetables to save the effort.

An American businessman with an interest in a factory here says his biggest problem is absenteeism. That is understandable, he explains. "To get food or clothes our employees have to stand in line. We are trying to help by arranging to have a store right at the plant."

Shortages are not unusual in developing countries. Next door in Zambia, which achieved independence from Britain peacefully more than 15 years ago, salt and soap are also hard to find. But Angola has a special and overwhelming reason for its problems: the way Portugal ran the place as a colony and left it in 1975.

The Portuguese were not just a thin top layer here, a colonial elite. They were the taxi-drivers, the secretaries, the teachers, the doctors, the engineers, the technicians, the 300,000 Portuguese pulled out, taking cars and lorries and whatever else they could move. Virtually no one was left who knew how to do anything.

Even to find a typist or a driver was impossible. Mr Paulo Teixeira Jorge, the Angolan Foreign Minister, said, and it is still hard.

A western businessman who deals with the Minister of Industry said: "The minister has no assistants—none. If some one is qualified, we need him at our plant more than the minister does."

In 1975 about 90 per cent of the population of six million was illiterate. Mr Jorge said that since then 500,000 have been taught to read and write the official language, Portuguese, which some had not even spoken.

In a speech last October, Mr Manuel Pedro Cavira, the Minister of Agriculture, said that Angola had one of the world's great forest reserves, but that the way things were

going it might soon have to import wood for coffins. A potentially rich country, it has oil and other minerals and good agricultural land, but organization and distribution are almost non-existent. The situation is said to be much worse in outlying areas than in Luanda.

A big question on people's minds—and sometimes in their conversation—is the role here of the Soviet Union and its communist allies. The Soviet Union supplies most of Angola's weapons. Cuban forces came in 1975 to help what is now the governing party, the Popular Movement for the Liberation of Angola, and 17,000 Cuban soldiers are still here.

But apart from substantial Cuban aid in building apartment blocks and in supplying teachers, the communist countries contribute little on the economic side. Or, at least that seems to be the popular feeling. Fishing, the most visible Soviet economic activity—very visible—is taking from Angola rather than giving.

Soviet factory ships can be seen every day in the Atlantic, right off Luanda, and there is evident resentment at the vacuum-cleaner methods. "We have some of the best fishing

grounds in the world," an Angolan said, "but it is difficult to buy fish, and you know why."

Luanda is not exactly like other cities in sub-Saharan Africa in look and feeling. It is more nearly Mediterranean, doubtless reflecting the Portuguese influence here in south-western Africa.

It is a city of pastels and white. There are some tower blocks, put up in a false boom just before the Portuguese left. The charm lies in such buildings as the National Bank of Angola, a long, low, fairy-tale structure in pink stucco, with white columns, and trim and a central dome covered in red tiles.

The bank is on a palm-lined esplanade that runs along the harbour front. Across the water is a sandy peninsula that contains one of Luanda's two operating hotels, the Panoram, and a mile away a shabby naval training station with a sign in Russian outside. The end of the peninsula is a beach. On Sundays it is crowded, and cafés offer drinks and ice-cream cones. Old foreign hands say the open cafés are a sign, one of many, that things are improving. New York Times News Service.

Mr Chissano will call on Mrs Thatcher, the Prime Minister, and meet members of Parliament, including Lord Soames, former Governor of Rhodesia. Tomorrow he continues his official visit with a tour of the port of Liverpool.

So far as Namibia is concerned, the British Government remains committed to elections and independence, as laid down in the United Nations plan. But until the new American Administration has had time to study the question more fully, little progress is expected.

Mr Richard, the Parliamentary Under-Secretary at the Foreign Office, will visit Uganda between January 30 and February 4. It was announced yesterday. This will be the first ministerial contact with President Obote since his election.

In the meantime Mr Justice M. T. Steyn, who is heading a commission of inquiry into the mass media in South Africa, said today that he wanted access to information which led to the enforced closure of the Post papers.

However, Mr Kobie Coetzee, the Justice Minister, who had accused the two papers of creating a "revolutionary climate" in the country, said he had no plans to give evidence to the commission.

The enforced closure of the two papers has focused attention on the Government-appointed commission, which for the past five months has been accumulating volumes of evidence on the mass media.

Mr Steyn is a former Administrator of South-West Africa (Namibia) and, more importantly, the author of a 217-page report last April into press reporting of police and defence matters.

The Steyn Commission's terms of reference are to: "Inquire into and report on the question whether the conduct of, and the handling of matters by, the mass media

Mr Dayan apologizes to blacks

Jerusalem, Jan 26.—

Mr Moshe Dayan, the former Israeli Foreign Minister, today apologized to American black leaders for remarks implying that the United States Army was suffering because of its large numbers of "poorly educated blacks."

"Some real damage was done by his statement," Mr Bayard Rustin, a black leader, said after a half-hour meeting with Mr Dayan here.

Mr Dayan made the remarks recently in Israel on return from a trip to the United States. He said that the American Army did not have credibility because of the large number of poorly educated black volunteers who make up the army.

"I don't want a misunderstanding—least of all with you," Mr Dayan told the group of four black leaders.

Foreign Ministry officials said that Mr Dayan had meant to say that an effective deterrent force could not be based on volunteers alone, because the qualified and educated American youth were lured away from military service by better careers.

Mr Rustin said: "His clarification was satisfactory to us... Of course we accepted this apology."—UPI.

In brief

Mugabe-Nkomo peace move

Salisbury, Jan 26.—

Mr Robert Mugabe, the Zimbabwe Minister and Mr Joshua Nkomo, the Patriotic Front (PF) party leader, held talks lasting 90 minutes today in an attempt to heal a growing rift between them over the January cabinet reshuffle in which Mr Nkomo was effectively demoted.

Mr Nkomo has denied any personal resentment over his demotion from the Home Affairs ministry but has warned

Undertakers missed

Kuala Lumpur, Jan 26.—A wave of deaths from drinking Samsu, a home-made brew, has caused a problem at Kulim, 180 miles north of here. Among the 25 moonshine victims were all but one of the local undertakers.

Journalists freed

Istanbul, Jan 26.—The Turkish authorities have released two senior journalists who work for the newspaper *Hurriyet*, but another is still detained. The journalists were held after a story about proposed price increases appeared.

Passenger ship adrift

Jakarta, Jan 26.—An Indonesian passenger ship, *Tampomas*, is drifting in the Java Sea with nearly 1,000 people on board, but the fire which disabled it is apparently under control.

Mozambique earns British thanks for Zimbabwe help

By David Spanier

Diplomatic Correspondent

The need to maintain pressure on South Africa in order to bring about a political settlement in Namibia was emphasised by Mr Joaquim Chissano, the Foreign Minister of Mozambique, in talks with Lord Carrington, the Foreign Secretary, in London, yesterday.

Since the independence of Zimbabwe, relations between Britain and Mozambique have greatly improved. Lord Carrington expressed his special thanks to Mr Chissano for the support which Mozambique provided in the run-up to independence in Zimbabwe.

The present round of talks covers trade and economic development in which Mozambique is seeking to extend its contacts with Britain. Today

From Nicholas Ashford

John Hume, Jan 26. Blacks in the Johannesburg area are to have a new daily newspaper from the beginning of next week. It will replace *The Post*, which was forced out of business after the Government announced last week that it planned to ban it and its sister publication *The Sunday Post*.

The new paper is the *Sowetan*, at present is published as a weekly. It is produced by the Argus Company which published *The Post* and before that *The World*, which was banned in 1977.

Announcing his company's plans to turn the *Sowetan* into a daily paper, Mr Hal Miller, the managing director of Argus, said that the paper's editor would be Mr Joe Larkson, who was acting editor of *The Post* at the time of its closure.

Mr Miller said that many of the work journalists who used to work on *The Post* would be employed by the new daily. However, it was necessary to refresh some of the editorial staff.

The new paper is the *Sowetan*, at present is published as a weekly. It is produced by the Argus Company which published *The Post* and before that *The World*, which was banned in 1977.

Announcing his company's plans to turn the *Sowetan* into a daily paper, Mr Hal Miller, the managing director of Argus, said that the paper's editor would be Mr Joe Larkson, who was acting editor of *The Post* at the time of its closure.

Cardinal Hume's parting shot at Nationality Bill

The Archbishop of West-

minster, Cardinal Hume, who flew to West Germany yesterday, reaffirmed his opposition to the Nationality Bill before he left.

In a statement issued on Sunday, Cardinal Hume and other Catholic archbishops of England and Wales told Mr William Whitelaw, the Home Secretary, of their "grave misgivings" over the controversial Bill, which is due for its second reading in the Commons today.

At Heathrow Cardinal Hume said: "There is no doubt that the Bill is causing a lot of insecurity and worry among a number of people resident in this country. One can only hope that those responsible will take into consideration our statement."

The Archbishop of Westminster, Cardinal Hume, who flew to West Germany yesterday, reaffirmed his opposition to the Nationality Bill before he left.

In a statement issued on Sunday, Cardinal Hume and other Catholic archbishops of England and Wales told Mr William Whitelaw, the Home Secretary, of their "grave misgivings" over the controversial Bill, which is due for its second reading in the Commons today.

At Heathrow Cardinal Hume said: "There is no doubt that the Bill is causing a lot of insecurity and worry among a number of people resident in this country. One can only hope that those responsible will take into consideration our statement."

The Archbishop of Westminster, Cardinal Hume, who flew to West Germany yesterday, reaffirmed his opposition to the Nationality Bill before he left.

In a statement issued on Sunday, Cardinal Hume and other Catholic archbishops of England and Wales told Mr William Whitelaw, the Home Secretary, of their "grave misgivings" over the controversial Bill, which is due for its second reading in the Commons today.

At Heathrow Cardinal Hume said: "There is no doubt that the Bill is causing a lot of insecurity and worry among a number of people resident in this country. One can only hope that those responsible will take into consideration our statement."

The Archbishop of Westminster, Cardinal Hume, who flew to West Germany yesterday, reaffirmed his opposition to the Nationality Bill before he left.

Food shortage in Kampala after price cuts ordered

From Our Correspondent

Nairobi, Jan 26. Market vendors and small traders in Kampala had almost nothing to sell today, after government and party leaders had ordered them to reduce the prices of everyday items by as much as 80 per cent in an effort to control inflation.

The traders said they could not buy supplies to sell at these prices, because farmers were insisting on a realistic return for their produce.

Last week hundreds of small vendors and hawkers were rounded up by police, and their small stocks were confiscated. This and the subsequent order to cut selling prices had thrown the established distribution system into confusion, and city workers found it impossible to buy food today.

The Government of President Milton Obote has declared war on smuggling, black markets and corruption. But Ugandans say there is little point in declaring unrealistically low prices if this means that no food is placed on sale.

The new "official" prices reduce a bunch of plantains, the local staple diet, from shillings 22 to 75 shillings, while milk which has been selling at 30 shillings a half-litre packet is supposed to sell at three shillings.

The Uganda High Court is due to examine the first of a series of election petitions this week, filed by the opposition Democratic Party to challenge the results of last month's elections which brought the Uganda People's Congress to power.

While continuing to pay lip service to the principle of free freedom, successive Nationalist Governments have sought to impose greater controls on South African newspapers which still manage to remain remarkably free and outspoken.

However, the Government—eager to retain the remnants of its tattered democratic image in the western world—so far avoided approving a press Bill. The draft of such a Bill was introduced in Parliament three years ago, only to be ignominiously dropped.

The Government of President Milton Obote has declared war on smuggling, black markets and corruption. But Ugandans say there is little point in declaring unrealistically low prices if this means that no food is placed on sale.

The new "official" prices reduce a bunch of plantains, the local staple diet, from shillings 22 to 75 shillings, while milk which has been selling at 30 shillings a half-litre packet is supposed to sell at three shillings.

South African black newspaper to arise from ashes of old

From Our Correspondent

Nairobi, Jan 26. Market vendors and small traders in Kampala had almost nothing to sell today, after government and party leaders had ordered them to reduce the prices of everyday items by as much as 80 per cent in an effort to control inflation.

The traders said they could not buy supplies to sell at these prices, because farmers were insisting on a realistic return for their produce.

Last week hundreds of small vendors and hawkers were rounded up by police, and their small stocks were confiscated. This and the subsequent order to cut selling prices had thrown the established distribution system into confusion, and city workers found it impossible to buy food today.

has just celebrated its 35th anniv. . . .
 Transac. feature more

—
aggio 2

St. Stephen at Bishop Auckland.
Loch Omen (100-50) 4th. 11

3.45 (3 46) OXBRIDGE H
14-y-o novices. £340 2m 11
MY TIMMY, b g by LU
Yenoula (T. Hughes) 11-5
Tad 13-6 3
Dorothy Kate, T. Carmichael
Kilnappes Gal. A. Brown 11
Tote: Wm. 13d: places, 10
46-48 13-6 3
Enderby at Shrewsbury.
Powder Horn (20-4) 4th. 11
Captain Grassbrook.

PLACEPO: 65.30. POOL: 5

How Mao's widow found herself friendless in the dock...

The callous revolutionary who lusted for power

Peking
Jiang Qing, the widow of Mao Tse Tung, who may never be seen in public again, had a gift for making enemies. Arrogant and opinionated, even on subjects of which she knew little, she systematically destroyed China's intellectual and cultural life for more than a decade. This is not in itself a capital offence. But she was also indicted for having caused or contributed to the persecution and death of countless thousands of people in one purge alone, it is alleged, 3,000 people died.

It is difficult to know how seriously to take the complex political charges against Jiang Qing. All Chinese political declarations have an element of exaggeration. But her own behaviour in court, before the eyes of millions of television viewers, certainly gave the impression of a choleric and vindictive woman.

Almost as though deliberately, Mao's widow touched on all the misogynous prejudices which linger on in China—least among the women, whose propensity for mutual spite is second to none.

Ironically, it was a woman—and a feminist—who unintentionally presented to the world the most damaging picture of Jiang Qing. Dr Roxane Witke, an American scholar, interviewed her at length in 1972, but the interviews, in book form, were not published until after her subject had been overthrown in 1976.

Dr Witke's portrait of Jiang Qing is marred by its dearth of direct quotations and discursive backgrounding. But although Dr Witke seemed to admire Jiang Qing, the book showed her as a strange blend of hypochondria, histrionics, jealousy, self-indulgence and vulgarity masquerading as elegance.

With Dr Witke's book (*Comm-*

There are good reasons to believe she hated men because she and her mother were maltreated by her father, and because, as a young actress in Shanghai, she was exposed to lewd male gossip...

rade Chiang Qing) at their elbow, few writers on Chinese affairs found it hard to believe why she was so hated. There are good reasons to believe she hated men because she and her mother were maltreated by her father, and because, as a young actress in Shanghai, she was exposed to lewd male gossip. It may be no coincidence that in Mao—as testified by people who knew him before the War—she found a certain effeminacy more to her liking than the more macho-inclined officers of the Red Army.

Certainly, around the time when Dr Witke met her, she surrounded herself with female attendants—two of whom turned out to denounce her at the trial. Apparently, she genuinely believed she was a born revolutionary, though her tastes were incurably petty bourgeois and her military role was mainly imaginary. From the time she married Mao about 1940, until the mid 1960s, she more or less adhered to the promise extracted by Mao's comrades before the marriage: that she would never interfere in politics. It is a moot point whether her increasing involvement in state cinema and operatic work in the 1950s and 60s really constituted such interference. In view of the appalling condition to which she consigned China's modern cultural life from 1960

on, the party elders might feel they would have done better to ban her from that kind of activity, rather than from politics. She has had a long-standing hatred of the elegant Mme Wang Guangmei, wife of Liu Shaoqi, who was head of state until his overthrow and death in prison. Mme Wang is back in circulation again, and it would be not entirely surprising, given the Chinese appreciation of irony, if Jiang Qing had been assigned to the same solitary cell she occupied in the Qincheng maximum security prison near Peking. Though not beautiful in middle age, her cheeks became puffy and drooped, disguising the pretentiousness of her youth—Jiang Qing exuded sex in a way some women in their 60s can. She was full of mannerisms, and often affected a prancing gait. After the khaki-cup-and-trousers period of the early cultural revolution, she took to wearing long black dresses.

She tried, it is alleged, to suppress the national costumes of China's minorities—Mongols, Tibetans and others. And she devised a summer dress for the women of Peking, who, unlike their counterparts in Shanghai, were mostly too cautious to wear it. It is a pity that her departure from the fashion design scene that women all over the country now dare to wear smart dresses and above-

the-knee skirts in warm weather.

What of her "reform" of the Chinese opera? A few of the "new works" approved for general showing in the cultural revolution contained exciting dances and acrobatics, and the oddly strangled singing of Peking opera was retained, even in the dramatization of modern or revolutionary themes.

But Peking opera is nothing without the fantastic costumes and make-up, the extravagant gestures, and the revealing plain human situations only vaguely related to politics—and few people here are mourning the departure of *The Red Lantern* or *The Red Detachment of Women*.

Perhaps the most unattractive aspect of Jiang Qing's personality was her callousness—an attribute she shared with Mao. Ruined lives, suicides and family grief seemed to mean nothing to her once she was embarked on her witch-hunt of "reactionaries" and "rightists". Obviously she was taking her revenge for something, whether her father's brutality, or the cold shoulder she was given by party veterans, is not clear.

When Jiang Qing dared the special court to execute her in public, she may even have been serious. For a person of her temperament, prison life may be a worse fate than death. Nobody seriously expects her to be executed in two years' time on grounds of failure to "repent". The question arises whether Chinese society as at present constituted, could tolerate any woman in as high a position as she eventually gained (demanding even of succeeding Mao as party chairman, it has been claimed). The politburo can consider itself graced by the self-effacing and dignified Mme Deng Yingchao;



Drawing by Richard Cole

Chou en-Lai's widow. But the only other woman in that august body is Chen Muhua, a foreign aid specialist who has never risen far and has been under political attack.

The proportion of women members in the Central Committee and the National People's Congress is tiny. Mme Soon, Chiang-Ling nonagenarian widow of Sun Yat-sen, is a living reminder of the high hopes of the feminist movement in the early Kuomintang period. The vast majority of working women today are labourers, shop

assistants, teachers, nurses and a fair sprinkling of doctors. The pent-up rage which one sensed in Jiang Qing then may not have been entirely a result of paranoia or simple vengefulness. She is an electrifying woman when in action—as shown so vividly in her courtroom tactics. But underneath the fireworks there may be, or may once have been, a genuine indignation at the fate of women in China, the historic home of footbinding, and the anti-feminist Confucian creed.

David Bonavia

The battle hotting up over who is 'British'

Today, for the third time this century, the House of Commons will grapple with the fundamental question of what it means to be British. This time there will be a real battle between the two major parties.

The Government's Nationality Bill, which will replace the 1948 Act, has angered many people of widely differing views because, effectively, it puts British citizenship on a racial basis.

The Anglican and Roman Catholic churches, the ethnic minority groups, including the Board of Deputies of British Jews and the civil liberties lobby say the Bill is racist and will create more, not less, uncertainty.

One of the Bill's most outspoken critics, the born-again Labour Party which has decided under the leadership of Mr Roy Matherley, home affairs spokesman, to end the consensus that once existed on this issue, also says the Bill is sexist.

Such criticisms it must be said, marks something of a conversion for Labour—perhaps the result of being safely in opposition again. The previous government would almost certainly have steered through a Bill to create a second class of British citizenship, if the Green Paper of 1977 is anything to go by, which would have left large numbers of mainly non-white people effectively stateless.

Labour's record on immigration has been almost identical to the Conservatives. It introduced stringent controls and reneged on Britain's commitment to the East African Asians who had United Kingdom passports. Only a small number were allowed here. However, the party may well be changing its mind. Mr Matherley is prepared to say he regrets having voted for the 1968 Immigration Act as a positive sign.

Today the Opposition will be arguing against the Government's proposals in the Second Reading debate. And in March Labour activists and others will take to the streets to demonstrate against the Bill.

Critics say the Bill incorporates racial discrimination restrictions, introduced when the sun was setting on the British empire, into nationality law. Henceforth whether someone can live in this country and on what conditions will depend on his or her citizenship category. The three new categories of citizenship are largely but not wholly racial. Only (mainly white) British citizens will have a right to live here. The other two groups (British Overseas Citizens and Citizens of the British Dependent Territories) will have no right of entry. They include those in East Africa and Malaysia who chose to be British at independence, and the present inhabitants of colonies like Hong Kong.

So why call these people British at all? Why give them "British" passports which they cannot use to enter this country?

The whole question of rights to vote and to hold public office which normally go with citizenship is virtually ignored in the Bill, even for British citizens. A passport can be withheld on government discretion. The Government's White Paper on the subject referred to such rights as "privileges". This has been criticized for being one of the most depressing

aspect of the Bill which is after all, making British nationality law for decades to come.

There has always been a preference here for administrative discretion over judicially enforceable rights and this Bill enhances it. The most controversial aspect, the removal of the right for children born here to be automatically British, leaves the Home Office to decide on that child's nationality.

It says that to be British at birth one or other of your parents has to be "ordinarily resident" here at the time. Although this departs from seven centuries of legal tradition, it will augment the Home Secretary's discretionary power. The legal meaning of "ordinarily resident" is less than clear.

The Government's attempt to make things difficult for the children of students and temporary residents seems likely to be more trouble than it is worth. The Joint Council for the Welfare of Immigrants says this is a mean provision which will affect very few people but will cause considerable anxiety. One way round it would be for parents who know they are not ordinarily resident to lose their child's British citizenship.

Another criticism is that parents who become British by

Labour's record on immigration has been almost identical to the Conservatives—it introduced stringent controls and reneged on Britain's commitment to the East African Asians who had United Kingdom passports...

naturalization may not pass on their citizenship automatically to their children who are born outside the United Kingdom. Now they can. The new provision will catch mainly non-white people.

There are, nevertheless, some good things in the Bill. First, it allows dual nationality about which Labour's Green Paper was ambivalent; second, it ends the present sex discrimination whereby children born abroad can only inherit British nationality through their father and not their mother.

The Government appears likely to forestall the critics by pushing the Bill through as quickly as possible. Already it has rejected a request for committee hearings to which outsiders could give evidence. This is a pity. It may not be in its best interests to ignore the criticisms and anxieties in view of this country's European and international human rights commitments. It may be found wanting at a later date.

Lucy Hodges



Asian immigrants at Heathrow.

Bernard Levin

They're very big in Limehouse



Four across the Rubicon: Mr Rodgers, Mrs Williams, Mr Jenkins and Dr Owen.

disturbing tendencies have been observed in the drift of Labour Party policy. You will not believe me—you will think I am riddled through the Oxford Dictionary of Quotations until I found something appropriate—but I swear that as I heard the news of this historic, nay momentous, decision, there came unbidden to my mind the great rallying-call ("Once more out of the breach") of Henry V.

In peace there's nothing so becomes a man, As modest stillness and humility; But when the blast of war blows in our ears, Then imitate the action of the tiger.

Stiffen the sinews, summon up the blood, And have a jolly good discussion on What we should do if they should go too far.

Without, of course, forgetting to The shocking price that claret's fetching now.

Because of all the bloody Japanese. But what this dauntless band have done so far is as nothing to what they intend for the future. Once again, Jack ("Scoops") Levin has beaten all his rivals: the moment I heard that the vital meeting was taking place chez Owen I hastened thither disguised as a TV repairman, come to fix the aerial. Once on the roof, it was the work of a moment to slip down the chimney and, wedged only a few feet above the

fireplace, to hear all that transpired. Thus, I am in a position to reveal that conspiracy plans have been laid, to almost any eventuality. For instance, it was unanimously and enthusiastically agreed that if the Labour Party manifesto for the next election should include a proposal for Britain to leave Nato, the group would take steps, and if the manifesto should go even further and promise that a Labour Government, after leaving Nato, should then spin the Warsaw Pact, they would have a thing or two to say about it.

Nor was that all; indeed, that was trivial to what came after. Even as the words were spoken I wrote them down—I still have the sort of tiny notebook to prove it—and I can now disclose that should a Labour prime minister appoint Mr. Ernie Roberts, Minister of Defence, Mrs. Renée Short Foreign Secretary and Mr. Alex. Nison Ambassador to the United States, the members of the Alliance for Social Democracy will, almost before a month is out, consider their position. More if a plan for the nationalisation, without compensation, of all private property should be put forward in the manifesto, they would regret its inclusion, and if a Labour government, elected on such a platform, should announce that it intended to put the plan into effect, they would urgently request the government to think again.

And even that does not exhaust the roll-call of courageous stands, I

nearly fell into the drawing-room with excitement and admiration when I heard the group agree, next week, that if a future Labour government should bring in legislation to censor the press, they would find it difficult, if not impossible, to see any merit in the plan.

By now the group had thrown away their scarves and passed (I think the striking phrase was Dr Owen's) the "point of no return". For not content with the ringing declarations of principle I have so far recorded, they drew up plans for swift and effective action as well. If legislation providing for imprisonment without trial were to be introduced by a Labour government, for instance, they would make a stink about it, and if that were followed by a further Bill seeking powers for the government to suspend Parliament indefinitely and rule by decree they are pledged to work with others in opposition to the measure. The abolition of the House of Lords would be deplored; that of the monarchy criticised outright; and that of freedom of worship firmly rebuffed.

A long and scintillating discussion then followed in which the group hammered out an agreement on what their role should be during a general election. The argument was eventually narrowed down to two choices; should they be, at an election, concerned observers of anxious spectators? or "hard time"? I was convinced that no agreement would

be possible, so strongly held (and evenly balanced) were the rival views. But then the wise and moderating influence of Mr Jenkins made itself felt, and the whole group eagerly embraced his suggestion that in the event of an election, they should declare that they were giving the outcome with more than ordinary interest.

And so it went on, all through the afternoon, while I, the discomfort of my position forgotten in the feeling that I was present at history in the making, filled notebook after notebook (I had stuffed every pocket full of spares) with the astounding decisions being made in my hearing.

The group pledged themselves, in the event of a Labour government insisting on compulsory education in Marxism for all five-year-old school children, to disagree; the replacement of the present Chiefs of Staff by leading members of the Militant Tendency would be vigorously denounced; the advent of a one-party state would be declared a black day for Britain.

My deadline was approaching; I realized that it would be the height of irony if, in waiting to see what else would transpire at this historic encounter, I failed to get into the paper what I had already discovered. So, with great reluctance, I climbed up the chimney, to the roof again, slid down a rainwater-pipe and hastened off to be, once more, first with the news. But as it happens, I think I must have left just as the meeting was about to end, for the last sound I heard coming from the house as I began my dash to the office was that of music: taking a leaf out of the book of the left, with its custom of singing The Red Flag, the fearless group who had already so notably lashed out for democracy were concluding a fine day's work with a spirited rendering of that haunting Lennon/McCartney number.

He's real, Nowhere Man, Sitting in his Nowhere Land, Making all his nowhere plans for nobody.

Doesn't have a point of view, Knows not where he's going to, Isn't a bit like you and me? © Times Newspapers Limited, 1981

LONDON DIARY

It should be all Greek to you...

In a world in which the news fluctuates between chaos, catastrophe and a permanent state of chassis, at least one piece of good news can be chalked up to 1981: Greece has joined Europe.

Correction: that is an eccentric and hybris-like way of putting it. Greece originally was Europe, and the cow-girl Europa who hitched a lift on a passing bull to Crete and glory was a Greek myth.

The Greek roots of our own beloved English language stick out like old marble crags from the preceding paragraphs. As Greece has slipped almost unnoticed into the EEC, I thought we should celebrate her accession to the Nine, making them the Ten, with one of my celebrated and ever-popular competitions.

But there is a difference. This time, thanks to a burst of Aegean generosity, I am able to offer a prize so glittering that it smacks of the kind of readers' contest they run in on of the less expensive newspapers with which we may shortly have

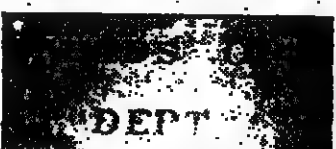
some association. However the subject matter is distinctly up-market.

I invite idle readers to compose a suitable celebratory encomium on Greece's entry to the EEC using only English words derived from Greek.

For example, if you happen to be writing about monetarism (and who isn't these days?) you could say: it is Zeus's anathema on our epoch for the transgression of our economic and the heresy of our economic methods and policies that we should agonize between the Scylla of numismatic plethora and the Charybdis of economic anamias.

Two hundred words maximum, please, in prose or verse, and a blind eye will be turned on prepositions, articles and other nuts and bolts of English that are not directly derived from Greek. The winner will be the crafty Philhellene who submits the most amusing, engaging, inspiring and appropriate piece.

Now the good news. The first prize will be a week's holiday for two in Greece, with all expenses paid by Olympic Holidays, and I dare say introductions to Bacchus, Aphrodite and any other Olympians to taste.



Has the Inner London Education Authority introduced capital punishment in schools to replace the cane? John Harvey of Rushmore saw this sign on a door at Marlborough School, London SW3, where they appear to have serious problems of discipline.

The second prize will be a copy of L. R. Palmer's magisterial (and expensive) book *The Greek Language*.

The judges, whose decision will be final and no doubt controversial, after they have been tyrannized by so much hellenic phraseology, will be Sir David Hunt, Hellenophile extraordinaire and master mind; Eleni Cubitt of the Greek Embassy; and my colleague Philip Howard, literary editor and senior classics master of The Times.

Entries to me by next Wednesday, February 4, please, and kindly mark them 'Greek contest'. I shall reveal the

winners and their work in this space on Shrove Tuesday, March 3.

Off the beam

Ardent admirers of the BBC's World Service radio programmes have formed an appreciation society to try to ensure that the broadcasts continue to be audible in Britain when a new transmitter to beam the service around the globe is erected on the Suffolk coast next year.

The World Service is really intended for foreigners, and is paid for out of the annual Foreign Office grant which maintains all the BBC external services from Bush House in the Strand. But the quality of its programmes, which are much less biased towards British news and views than are the domestic radio services, has won it a substantial following in Britain. The BBC estimates a regular World Service audience of about 100,000 in this country; others claim that the figure is much higher, and is artificially depressed by the BBC to avoid embarrassing Radios One to Four.

At present the World Service (462 metres medium wave; details daily on our penultimate

page) is beamed from a transmitter at Crowthorne, Sussex, and can be heard loud and clear in most parts of Britain, particularly since the domestic radio "wavelengths" were switched about two years ago. But the BBC intends to boost its reception in distant parts by building a new directional transmitter at Oxford Ness, which will send most of the sound waves away from our own shores.

Work on the new transmitter will begin later this year, and the old one in Sussex will be closed down in 1982.

Jerry Lewis, a freelance journalist who has founded the World Service Appreciation Society, told me: "We hope it is not too late to persuade the BBC to change the design of their new transmitter, or to leave the old one in use."

"The World Service's mix of programmes is second to none, and its news coverage, especially foreign news, is the best. Its in-depth programmes on the news, like *Outlook*, *Analysis* and *Assignment*, cannot be bettered."

Nicholas Ridley, Minister of State at the Foreign Office, assured the Commons in 1979 that the World Service would

(Shall we give a dinner or brunch to discuss leaving the Labour Party?)



continue to be audible in Britain, but Lewis and his fellow appreciators are not so sure. They have the backing of a number of MPs, including

Greville Janner and James Dempsey.

The BBC told me yesterday that they welcomed Lewis's interest, but they refused to commit themselves, except to claim that with the new transmitter the World Service would still be audible in the South-east, but signal further north would be of "adequate or lesser quality". Signals from the appreciation society are being beamed loud and clear towards the Strand.

Silly clots

A private member's Bill introduced by Sir Anthony Meyer, MP for West Flintshire, to amend our extraordinarily complex shop hours legislation has turned the spotlight anew on the anomalies with which it is crammed, and excited a full-page advert in *The Times* last week.

Did you know, for example, that it is legal to sell cream on Sundays but not tinned cream unless the tinned cream is clotted? Surely, you might object, if clotted cream was subjected to the tanning process, it would no longer be clotted but ruined.

Quite right, the Dairy Trade Federation and Milk Marketing Board confirm, but the exemption was made to cover the sale of clotted cream in tins, as often happens in the West Country, to protect its passage through the post. Holiday-makers had to be allowed to buy clotted cream on Sundays to post to their friends.

Fine, and of course the scheduled to Shops Act do also specifically permit the transaction of post office business on Sundays. But there is, as far as is known, now only one Post Office which actually opens on Sundays, and that is in Trafalgar Square, London, which is not a likely source of clotted cream. Down in the fertile West Country Sunday post is a thing of the past.

Linguistic vandalism from Wolverhampton Council, which has changed the name of its anti-vandalism committee to "the urban conservation and environmental awareness working party".

Alan Hamilton



New Printing House Square, London, WC1X 8EZ. Telephone: 01-837 1234

THE PRESSURE OF EVENTS

Sir Keith Joseph's statement on British Leyland is something of a milestone in the development of the Government's industrial policy. When it first came to office it held out the promise of a coherent and distinct strategy. There was to be a rapid end to subsidy of lame duck public enterprise. As much as possible of industry in the public sector was to be offered back to the private sector, a process for which the term privatization was coined. Meanwhile, the new growth in the economy was to come from the revitalized private sector itself, liberated from the disincentives of high personal taxation and from the restraints of dividend and foreign exchange controls.

In this as in other areas the Government has found that, even if the policy is right in principle, the problems which it is designed to attack are much more intractable than was at first supposed. The announcement of a further huge injection of public money into British Leyland yesterday, giving the company what it required to continue with its latest corporate plan, is evidence of that fact. Under the pressure of events, faced with rising unemployment, there was in the event no option but to provide the necessary finance to prevent the company having to cease trading.

There is an unhappy irony about the fact that it is Sir Keith

Joseph, one of the most intellectually rigorous of Mrs Thatcher's ministers, who is as a spending minister presiding over the most ad hoc and uncoordinated series of industrial rescue operations, all of them in straight contradiction of his originally professed industrial strategy. As it approaches the middle of its first term of office the Government in the light of experience might do well to reconsider its strategic goals in this important area of policy.

Such a reappraisal would have to start from the acceptance that the public sector will inevitably remain a substantial part of the British industrial economy for the foreseeable future. It is wrong to assume, as the Government and the Prime Minister herself tended to do at the start, that the public sector is incapable of behaving commercially and increasing its efficiency. Instead of mentally writing the whole of the public sector off as a bad job, industrial policy in this area should be a coordinated attempt to introduce and increase the pressures for a more commercially oriented development of the public sector industries.

In particular areas the breaking of the monopoly position of certain state industries could help here. So could the breaking up of giant businesses, like British Leyland or the British Steel Corporation into smaller

operating businesses. In this way it would in future be easier to run down hopeless loss-making operations and concentrate on areas of promise. The introduction of joint ventures between state industries and private enterprise should also be actively explored in this context. Financial performance targets should be set and monitored in order to measure improved performance and to restore to the management of state enterprises the sense of commercial purpose.

In general, the direct control of state owned industrial concerns should be kept at one remove from Whitehall. All the experience of the past twenty years and more is that civil servants are not the right people to take detailed and day-to-day industrial and financial decisions in a commercial context. Here the decision to remove the British Leyland shareholding from the National Enterprise Board and to transfer it to the Department of Industry, in the form of the transfer of the Government's shareholding in Rolls-Royce, is a step in the wrong direction. Increased commercial discipline should be the order of the day so far as the public sector is concerned, not more direct political and bureaucratic interference in the running of industries that in any event pose enough problems of their own.

WHAT FUTURE FOR THE SIXTH FORM?

By 1993 the number of young people who have passed the legal minimum school leaving age but are still under 20 will be smaller by a quarter than it is today. Sixth form provision will have to adapt to meet this change, as services for younger children are already doing. Because the sixth form is a more sensitive political issue, the prospect is already causing uncertainty and conflict among teachers and local councillors. The Macfarlane report, published yesterday, was intended to give policy makers a guide to which of the several possible courses would best suit their own circumstances. Unfortunately the political issues have proved so sensitive that the report, after a series of much-leaked drafting crises, reads more like one more summary of the problems than a guide to their resolution.

This is especially disappointing to the more extreme proponents of the two main rival answers—the traditional sixth form, on one side, and the sixth form college on the other. But while the report's failure to give clearer guidance must be regretted, it is no bad thing that it has not thrown its weight dogmatically on either side. It is clear that the problems faced in different areas are very diverse (some authorities even expect to have more students of sixth form age in ten years, not

fewer). Different areas will need different solutions, and will perceive the situation differently, and central government should not seek to prescribe in a rigid or doctrinaire fashion.

The fall in pupil numbers will make it impossible for many comprehensive schools to provide a sufficiently wide range of courses economically. The problem already exists: a good sixth form should have at least 140 pupils, but more than a third of existing ones are already smaller than 50. In cities, many schools have mitigated the effects of change by making informal arrangements to share sixth-form provision. This can work well in the short term, but the scale of the approaching change is so great that education authorities everywhere should be preparing long-term plans to adapt, and ensuring that they are widely known and debated.

The most popular radical solution is the separate sixth-form college. There are now 105 of them, and a recent survey showed that their A-level results are slightly better than those of ordinary sixth forms. They are popular with students, especially those who feel that they have outgrown school discipline, and there is evidence that students there move more readily on to further education. The release from discipline is not always an advantage, but in many areas, the traditional sixth form, on one side, and the sixth form college on the other. But while the report's failure to give clearer guidance must be regretted, it is no bad thing that it has not thrown its weight dogmatically on either side. It is clear that the problems faced in different areas are very diverse (some authorities even expect to have more students of sixth form age in ten years, not

especially large cities, sixth-form colleges will seem the natural answer.

Their effect on the "beheaded" comprehensive schools may not, however, be so good. The sense of community and continuity in these schools may be weakened, and the Inspectors of Schools have noted a tendency for them to suffer their own difficulties about presenting a broad curriculum and attracting specialist teachers, who prefer to have more work with sixth forms. The same might be true if schools were "beheaded" so that one or two others in the neighbourhood could enjoy a sixth form.

In general, as many schools as possible should be enabled to maintain their own sixth-form provision, with formal sharing arrangements where necessary. The Government should try again soon to assist education authorities to identify where this should be attempted. The whole debate should take place in the light of the fact that education after the age of sixteen in Britain is no matter for complacency. Fewer young people here than in most comparable countries continue their studies beyond sixteen, and the effects of this on our national competitiveness must be significant. The problem must be approached not only in terms of maintaining standards, but also of improving them.

THE CHALLENGE TO PRESIDENT GISCARD

M. Mitterrand looks better placed to win the French presidential election than he did only a few months ago. He has succeeded in overcoming the divisions within his own Socialist Party, so that last Saturday's meeting, at which he was formally adopted as his party's presidential candidate, was an impressive display of unity. At the same time recent opinion polls have shown him closing the gap between himself and President Giscard d'Estaing—still not officially a candidate, but generally expected to be one. One poll, taken earlier this month, even had Mitterrand ahead of Giscard by 51 per cent to 49 per cent. Since then the same poll has shown Mitterrand pulling ahead again, with 52 per cent to Mitterrand's 48 per cent; but even so that is a significantly smaller margin than he was getting last autumn, and suggests that the election, to be held on April 26 and May 10, could go either way.

The surprising thing is not that President Giscard should appear to be vulnerable, but that he should have appeared so strong for so long. He will, after all, have been in office for seven years, and though the French standard of living has risen during that time, the economy has run into difficulties over the past year or two. Unemployment is

up to one and a half million, and inflation was 13.6 per cent last year. There have also been a number of scandals, not least the allegation that M. Giscard had himself been given diamonds by the Emperor Bokassa of the Central African Empire. Even so, the assumption until recently was that he would be reelected quite easily. He still may. He is likely to attract more support once he has launched his own campaign. He will have enormous advantages as the incumbent, and many French voters may hesitate at the last moment at the thought of electing a President from the left.

Much will depend on the attitude of the Communist Party. In the last presidential election, in 1974, M. Mitterrand was the joint candidate of the Socialist and Communist Parties—and came very near to winning. But since then the Communists have broken with the Socialists, and there are reports that what they are saying about the unity of the Left they would rather see M. Giscard elected than have M. Mitterrand and a triumphant Socialist Party in power. At any rate M. Marchais, the secretary general, will be the Communist candidate in the first round, and has been exchanging abuse with M. Mitterrand. It is not certain that the Communists will throw their weight behind M. Mitterrand in the second round.

Even if they do not, however, it need not necessarily hurt M. Mitterrand because he is following a different strategy from that of 1974. This year, in addition to getting votes from the Left, he is hoping to pick up support in the second round from disaffected Gaullists. He has even dissociated himself from much of the party manifesto adopted by the Socialists last weekend, and he could point to lack of support from the Communists as proof that he would not be indebted to them either. Yet as the only leftist candidate he would be bound to get some Communist votes, whatever the party's instructions.

If M. Mitterrand is elected, it will be the biggest change in French political life since 1958, when General de Gaulle came to power and laid the foundations of the Fifth Republic. He himself has been unwilling to say whether he would have Communists in his government. He has confined himself to undertaking to dissolve the National Assembly, with its Giscardian and Gaullist majority, and to hold new legislative elections, with a view to getting a new majority that he would work with. It would be a test of the constitution of the Fifth Republic: whether it could accommodate a change of this nature.

Closer relations

From Mr Anthony Wigram
Sir, Now that the basic principles governing industrial relations are once again under discussion, should we not consider the system which seems to have been so successful in Japan based on lifetime employment by a single firm?

It is easy to see why such a system should be successful because it nurtures the interests of the firm and the workers fairly and squarely on the same footing. Both are locked together for better or worse and must get the best out of each other so that each gets more by slicing a bigger cake rather than fighting for a larger share of a smaller one.

From the worker's point of view, the more successful the firm the better off he becomes, and because the fear that his own hard work and greater productivity will threaten his job or that of his friends is removed, it stands to reason that he is much more likely

to cooperate with schemes for modernization and retraining. Restrictive practices cease to be logical. From the point of view of the firm the commitment to lifetime employment acts as a spur to use employees imaginatively and profitably. Problems which we may now have to solve by declaring redundancy have to be solved by diversification, new investment, and such like entrepreneurial skill—which is what justifies management anyway, and what it can achieve given the necessary loyalty and confidence from its employees.

From the point of view of trade unions the greatest source of grievance, unemployment, would be largely removed and they could begin to start to identify interests and objects held in common with management.

Most people are more likely to be generous, agreeable and cooperative if they have a sense of security, and it is quite clear that this kind of security is not engendered

by state-paid unemployment benefits, which are inadequate in all respects as well as being incredibly wasteful of skill and expensive to operate. Would it not be far better to give firms the responsibility to continue to give employment in difficult times, and to continue to use their labour as best they can, rather than to transfer this burden to the Government, which has no means of alleviating the harmful and demoralizing effect of redundancy?

The pruning and grooming proposed in the Government's Green Paper are not going to achieve any fundamental change in industrial relations, and indeed are not designed to do so. We need a bold stroke to change the whole environment, and lifetime employment must at least be worth thinking about.

Yours faithfully,
ANTHONY WIGRAM,
6 Queen Street,
Mayfair, W1.

Breath test controls

From Mr T. E. Rymer

Sir, One little noticed effect of the Transport Bill now before Parliament is that in the vast majority of cases of persons suspected of having driven motor vehicles with excess alcohol in their body the analytical evidence of this for prosecution will be obtained by a police constable at a police station using a sophisticated modern analytical instrument to determine the alcohol content of a breath specimen.

Under these circumstances there will be no opportunity for a motorist to have an independent analysis made, except in the very limited event where the breath test gives a reading of between 40 and 50 microgrammes of alcohol per 100 millilitres of breath, in which case the limited circumstances in which the breath test gives a reading only a little over the proposed limit of 40 microgrammes per 100ml.

Any competent professional analyst is only too well aware of how modern sophisticated analytical techniques can suddenly produce the results, and such an analyst will recognize when results are suspect. I am utterly appalled that the police, with limited training, are to be given the power to conduct such tests for evidential use with in the majority of cases, no possibility of further checks being carried out. At present, of course, they must be when evidence relies on the analysis of divided specimens of blood or urine in all prosecutions, and frequently are when samples are taken for the purpose of the Food and Drugs Act and the Agriculture Act, etc.

In my opinion any motorist who suspects that the breath test has given a false result should be given the option to provide blood or urine specimens for subsequent analysis. The analytical Laboratory, which will be available to the police and the Bill should be amended accordingly, if possible gross injustice is not to result.

Yours faithfully,
T. E. RYMER,
(Public Analyst, East and West Sussex),
The Analytical Laboratory,
7 Offham Road,
Lewes, Sussex,
January 21.

Side-effects of drugs

From Professor M. J. S. Langman
Sir, Much time is now spent trying to achieve a balance between the safety and efficacy of drugs. None is entirely safe (unless useless), nor entirely effective. This simple message is very poorly understood and very poorly reported. Sex, duration of use, and dose (January 19) is an excellent example of how not to inform.

To say "Some tranquillizers, sedatives" could reduce the sexual drive in some people, is about as useful a statement as "Some people who ride bicycles could fall off and hurt themselves". The information not given (how often, how severe will be the injury and in what circumstances will it occur) is essential to any proper understanding. No one could be greatly surprised that medicines which tend to send people to sleep reduce sexual activity. What does matter is whether such an action is sufficiently important to limit drug usage. Surprisingly, sedative, or tranquillizer, however, looks at it, the effect does not seem to be very important, but proper education about the effects of drugs is.

Yours faithfully,
M. J. S. LANGMAN,
Department of Therapeutics,
City Hospital, Nottingham.

The Pope in Britain

From the Reverend Francis Edwards

Sir, Dr A. C. J. Phillips (January 15) has been understood to say that the Roman Catholic attitude with regard to the Mass and those who celebrate and communicate at the same rests on grounds of theology and history and not on any desire to exclude or exclude. Undoubtedly, however, he has a point, at least of interpretation, when he reminds us that a Mass said in Canterbury Cathedral could become not "a means of reconciliation but an affront to those denied participation". If we wish to stress the very real differences still remaining among Christians, the best way would be to celebrate the Mass. If we wish to stress the common ground, the better idea would be to devise a non-eucharistic service in which not only Catholics, and Anglicans of whatever persuasion, but also Nonconformists could take part without embarrassment or affront to conscience.

Yours faithfully,
FRANCIS EDWARDS,
Department of Heterography
and Archives,
English Province of
The Society of Jesus,
114 Mount Street, W.1.

Economic planning effects

From Professor Lord Kaldor, FBA

Sir, Professor H. W. Singer (January 15) has rightly drawn attention to the dubious empirical basis of Professor Hayek's contrast (feature, January 9) between the successful capitalist free market economies and unsuccessful countries who remain poor or fell into sad decline as a result of following some form of socialism or of economic planning.

Unfortunately Professor Singer's examples do not include Professor Hayek's most glaring omission, which is none other than his own country of birth, Austria, where he spent the first 32 years of his life, the last eight of them as a successful professional economist, ending up as Director of the Austrian Institute of Economic Research.

In contrast to the period of stagnation and high unemployment between the wars which he witnessed, Austria has had since the Second World War the most successful record in terms of fast economic growth, monetary stability and continuous full employment—indeed, a greater "economic miracle" than that of Germany or any other "developed" country

Implications of Labour's decision

From Lord Underhill

Sir, The decision of the Labour Party special conference for the 30-30-40 formula was arrived at only because of the incomprehensible attitude taken by the Amalgamated Union of Engineering Workers. That union wanted the Parliamentary Labour Party to have 75 per cent of the votes at an electoral college; when it failed with that motion the union then abstained. If it had voted for the 30-25-25 formula, which was the next best, there would have been a majority of over 500,000 for that proposal.

It is stated also that the Union of Shop, Distributive and Allied Workers, with 425,000 votes, varied its own view and put forward a motion for 30-30-40, by a decision of its executive committee, and that the National Union of Public Employees' delegation decided on a switch of support.

Such a position could arise at an electoral college. Should a union abstain because a first vote did not go its way, or there was a switch of support by a union executive committee or conference delegation, such a travesty of democracy could be the election of a party leader or even a Prime Minister. That would be a travesty for both Labour Party and parliamentary democracy.

Throughout my 30 years' membership of the Labour Party I have consistently refused to link up with any grouping. Others have not shared that concern and there have been pressures exerted by the Campaign for Party Democracy (which I see as "one man, one vote") to be undemocratic, the Co-ordinating Committee, and later the Mobilising Committee, which includes the Trotskyist Militant Tendency.

Nothing will be gained by leaving the Labour Party. However, we must work for changes. Therefore it is my intention to now associate in my parliamentary work with the Manifesto Group and outside with the Campaign for Labour Victory on the understanding that it will work within the Labour Party to reverse the present position, as it has every right to do.

I regard this not as a struggle between "left and right", but a matter of democracy and common sense. I now hope that other Labour Party members will do likewise.

Yours sincerely,
UNDERHILL,
House of Lords,
January 25.

From Mr Michael Pickering

Sir, I have been a member of the Labour Party since 1952 and am broadly in favour of such things as state control of important industries, workers' participation in the running of firms, comprehensive education, state medicine, municipalization of

Conglomerate ministries

From Lord Houghton of Sowerby
Sir, I do not believe that the conglomerate Department of Health and Social Security (report of John Silkin's address, Whitehall Brief, January 20) has put together by Sir Harold Wilson in 1968 "only to create a job suitable for Mr Richard Crossman". I urged Sir Harold to do this in 1955 when I was coordinating minister for the social services. There were problems of administration and barriers to providing comprehensive health and welfare to the people.

Above all, there were priorities to be decided. This entailed allocation of resources with inevitable choices between cash benefits and services. Coordination became impossible when the departmental ministers, not in the Cabinet, demanded the right to attend Cabinet meetings to dissent from their coordinator's response to the Prime Minister's response to

housing, and redistribution of wealth through direct taxation; moreover, to oppose the siting of nuclear weapons in this country and regard our entry into the EEC as having been a mistake bordering upon disaster.

Obviously, therefore, my sympathy with Sir Leslie Murphy (January 21) in his despair with the Labour Party and his desire for a radical alternative cannot be ascribed purely and simply to the party's move to the left.

No, my disenchantment with the party for which I've worked for so many years arises because its present leftward movement has an almost Cadaverous quality, uninformed by any sense of history or understanding of democratic processes, and based on a romantic and patronising view of what the workers want.

Karl Marx was essentially a realist and knew that for a movement to succeed there must be a groundswell of discontent and of sympathy for its aim springing from people as they actually are and not after they have been lectured or taught on by people claiming to know better.

Had he been alive today he would have been among the first to note (as Marcuse did) that nowadays people are different; unfortunately, he is no longer in a position to discuss the earnest army of self-styled disciples who utter absurdities in his name.

Where in the past the Labour Party has been strong and successful this has happened by virtue, first, of its capacity to contain within itself a richness of differing viewpoints and, second, of its flair for knowing when to advance and when simply to consolidate its gains. It is now buying itself with existing out of its ranks those members, at all levels, who have brains, experience, and ability, but who suffer from the flaw of believing (for example) that MPs are representatives of all their constituents and not delegates under the control of excitable local parties, and who are sufficiently sacrilegious to want to temper conference decisions in the light of reality.

I do not believe that the Labour Party is doing anything to help the underprivileged by inflicting on them the immediate implementation of aims such as those outlined above or by refusing to accept that some of them may perhaps never be realised. I have studied David Steel's 10 points and find them not only sensible but also—from the evidence of recent opinion survey—in tune with what many people are thinking. They have much more to offer the mass of working people than has a political party that seems determined to remain in opposition, lamenting the revolution that never happened.

Yours faithfully,
MICHAEL PICKERING,
38 Oakwood Road, NW11.

my pleading to create a "conglomerate" similar to the model of the Ministry of Defence, to create the Public Expenditure Scrutiny Committee (PESC) where departmental ministers could take their money troubles and their rivals. All that did was to save us having them out in front of the Cabinet.

After I left the Cabinet in 1967, two successors went through similar experiences. When ministerial changes provided the opportunity of creating the conglomerate in 1968, two candidates were approached and both insisted on it. Crossman got the job, but I wouldn't say that the Department of Health and Social Security was made to measure for him. More likely, I think, he tried it on for size and the tailor thought it was a perfect fit.

Yours, etc,
HOUGHTON OF SOWERBY,
House of Lords,
January 20.

University election

From the Reverend L. R. Hobbs

Sir, Professor R. L. Plackett (January 21) aptly summarizes my own and I suspect many others' feelings as to the unsuitability of the three candidates for the chancellorship of Loughlin University. I would hope, however, that there will not be a mass abstention by those eligible to vote. A far more forceful point would be made if there were substantial numbers of spoilt papers returned. At least then we should be able to distinguish between those who are unhappy with the arrangements and those who have just not bothered. In my own case I have added a covering note expressing my dismay at the standing committee's handling of the whole matter.

If this particular election is to be a non-event, let us ensure that the next one is not.

Yours faithfully,
LESLIE R. HOBBS,
4 Oakengates,
Haworth,
Bracknell, Berkshire,
January 22.

Voice from the past

From Mr Denis Blakeley

Sir, I can certainly vouch for the penetrating quality of RSM Britain's voice. On many occasions, bashing a square adjacent to his at Mons, I and my platoon obeyed his command rather than that of our own RSM.

Yours faithfully,
DENIS BLAKELEY,
81 Quai d'Orsay,
75007 Paris, France.

Natural History Museum plans

From Sir John Bejerman and others

Sir, It is surely ironic in this centenary year of Alfred Waterhouse's mastery of Natural History Museum in South Kensington that recently Michael Heseltine, Environment Secretary, supported the recommendation of his inspector at the public inquiry permitting the demolition of a substantial part of the building. The trustees intend to replace the Eastern Galleries with a five-storey block containing new galleries, a restaurant and educational facilities.

At the inquiry, the Greater London Council submitted an alternative showing the feasibility of retaining the existing galleries and converting the non-public areas on the ground floor of the present building to provide additional exhibition space and the other facilities incorporated in the trustees' own proposals. If such a scheme were adopted not only would this splendid grade I listed building remain intact for the future enjoyment of countless visitors but a saving in cost would be made of some £5m and building work be completed in approximately three years instead of six required for the sanctioned project.

Commenting in his report on the GLC alternative, the inspector said: "I believe the problems of housing part of the public exhibition on the ground floor are capable of solution. What is required is a willingness to solve the problems posed." In opting to support the trustees' proposals he admitted his decision was finely balanced.

Notwithstanding, the inspector's conclusion was, nevertheless, to be in favour of the alternative scheme. The advantages of an approach on the principles exemplified in the GLC scheme are, we submit, overwhelming and demand a reconsideration of the present decision.

Yours etc.,
JOHN BEJERMAN,
PATRICK BOYLAN,
D. T. DONOVAN,
A. R. DUFFY,
MICHAEL ROBBINS,
DAVID WATERHOUSE,
29 Radnor Walk, SW3.

Vaccine damage liability

From Mrs Rosemary Fox

Sir, When serious injury results from medical intervention, many doctors argue that there should not be legal action, or campaigns, to secure compensation for victims. All disability is equal and should be catered for under the state system of disability benefits.

(This argument would only be acceptable if the state could afford to pay to all disabled people the amount of money which would be awarded in court following an accurate assessment of their needs—in which case, of course, campaigns and legal action would cease overnight.) Since it is highly unlikely that the state will ever be able to pay disability benefits at this level, healthy individuals on whom injury is inflicted have a perfect right to pursue compensation claims based on the cause of injury to provide adequately for their needs and the law has always recognized this right.

One of the campaigns criticized by doctors in your column is that for vaccine damaged children. The Pearson Commission recommended, and Parliament accepted, that they have a special claim to compensation because they have been placed at risk in the interests of the health of the public generally.

Doctors may not see anything unique about their disability, but the parents who produced them as healthy children, and who now suffer financial and emotional hardship do. The Government refusal to pay compensation is penalizing these families for the second time.

It would be interesting to discover if those who argue against compensation claims based on cause of injury would, if seriously injured themselves, also claim compensation and be satisfied with state benefits.

Yours faithfully,
ROSEMARY FOX,
Secretary, Association of Parents of Vaccine Damaged Children,
2 Church Street,
Shipston-on-Stour,
Warwickshire,
January 20.

Medical redundancies

From Dr Alex Paton

Sir, The problem of medical unemployment (January 20) could be solved quite easily. Many disillusioned senior doctors know that the hospital service in particular is overmanned; they are counting the days to retirement but cannot afford to go early because inflation makes a nonsense of pensions based on the last three years of service.

The Government, I suspect, is well aware of the position, but is afraid to apply the concept of redundancy to the National Health Service, not because of political unpopularity but because of the exodus that would result.

Yours faithfully,
ALEX PATON,
15 Charlotte Road,
Birmingham,
January 21.

Urgent cable

From Miss Vera Watkins

Sir, With reference to Mr Easthope's account (January 22) of the death of Queen Victoria, it may not be generally known that his efforts to be first with the news were very nearly successful.

That submarine cable connecting Osborne House with the mainland broke shortly before the Queen died. My father, then a junior lieutenant, Philip Watkins, Royal Engineers, got urgent orders to repair it. The job was completed just in time.

Yours faithfully,
VERA H. WATKINS,
Sikthay Cottage,
Netherbury,
Nr Bridport,
Dorset,
January 22.



COURT CIRCULAR

SANDRINGHAM
January 26: The Queen, accompanied by The Duke of Edinburgh, this afternoon opened the Roushni Development of the Housing Association and the Guinness Trust at Sandringham (Estate Superintendent, Mr. K. Brooks and Warden, Mrs. J. Woodhouse).
Having been received by Her Majesty's Lord-Lieutenant for Norfolk (Mr. Timothy Colman), The Queen unveiled a commemorative plaque and, with The Duke of Edinburgh, toured the housing scheme, escorted by the Chairman of the Housing Association, Mr. H. W. Mellor, and the Chairman of the Guinness Trust (the Lady Elizabeth Mure O'Farrell).
The Lady Susan Hussey, the Right Hon. Sir Philip Moore and Mr. Julian Lloyd were in attendance.

HATCHED HOUSE LODGE
January 26: Princess Alexandra, Patron of the Cystic Fibrosis Research Trust, was present this afternoon at a Reception given for representatives of the Regions and Branches within the United Kingdom at Clarendon House, London. The Lady Mary Fitzalan-Howard was in attendance.

Birthdays today
Sir Wilfrid Bourne, 59; Lord Shelborne, 60; Sir Robert Carr, 60; Sir John Eccles, 78; Sir Neville Faulkner, 73; Mr. Maurice Macmillan, 60; Mrs. M. A. M. Macmillan, 62; Mr. W. R. van Straubenzee, 67; General Sir Dudley Ward, 76; Lord Wells-Pemberton, 71.

Mr M. MacDonald
Arrives of thanksgiving for the life and work of Malcolm MacDonald, OM, will be held in Westminster Abbey at noon, on Tuesday, January 28, 1981. Tickets for tickets should be made as follows: Ambassadors and High Commissioners to the Ministry of the Diplomatic Corps, others to the Secretary-General (MM), the Royal Commonwealth Society, 15 Northumberland Avenue, London, WC2N 6AA, enclosing a stamped addressed envelope, by not later than Friday, February 20.

Luncheons
HM Government, inventors, industrialists, financial consultants, members of Parliament and representatives of government departments.
Lord Carrington, Secretary of State for Foreign and Commonwealth Affairs, was host at luncheon in honour of the Moroccan Foreign Minister, Senhor Joaquim Alberto Chissano, held at 1 Carlton Gardens yesterday.
HM Government, Mr Douglas Hurd, Minister of State for Foreign and Commonwealth Affairs, was host at a luncheon held in honour of the Moroccan Ambassador, at Admiralty House yesterday.
Royal Overseas League.
The Chairman of the Royal Overseas League, Lord Grey of Naunton, and members of the central council entertained the Commissioner for Hong Kong and Mrs Ford at luncheon at Overseas House, St James's, yesterday.

Receptions
Prime Minister was host at a reception given at 10 Downing Street yesterday evening. Among those present were members of

Swedish pair win bridge cup for second time
By Our Bridge Correspondent
P. Sundelin and S. Flodquist, of Sweden, won the International Invitation Bridge Pairs Championship, sponsored by Now magazine, which ended in London yesterday after 15 rounds and four days of play.

It was the first time in its 18-year history that the cup has been won twice by the same pair. The Swedes first won it in 1978. Two players have won the cup twice in different partnerships: Barney Shanker and Neil Silverman in 1961 and 1962, and M. Rosenberg and V. Goldberg, and Alan Souza, of the United States, with V. Altman and P. Weichsel.

The luck of the draw brought the four leaders to the final round. Their scores were: Sundelin 471, Moller 470, Schapiro 462, and Granovetter 461. The Swedes beat S. Schapiro and J. Beve by 45-15 to take first place and Matt Granovetter and Neil Silverman beat the Danes by 33-22.

On the last hand of the championship, before a packed audience, Granovetter was in a double game contract and had been able to make one more trick he would have tied for second place with the other American pair, J. Cayne and C. Burger. Last year's winners from Scotland never recovered from a bad start and finished in sixteenth place.

Grant for Lakes book
Cumbria County Council's Arts and amenities committee yesterday awarded Manchester University Press a grant of £1,000 towards publishing a book, *The Lake Counties from 1870 to the mid-twentieth century*. The grant includes £500 from the Curwen Archives Trust.

Piano perfection by Welmar
Welmar Pianos
Welmar Pianos, London 201

Forthcoming marriages

Mr J. T. Foynton and the Hon. Finola FitzClarence. The engagement is announced between Jonathan T. Foynton, youngest son of Mr and Mrs D. R. Foynton, of Woodford, Cheshire, and Finola FitzClarence, youngest daughter of Viscount FitzClarence, of Bathurst, Hampshire, and Mrs L. M. D. Delvigne, of Putney, London.
Mr P. G. Sharp and Miss C. L. Pinnell. The engagement is announced between Peter George, elder son of Mr and Mrs G. R. Sharp, of Perth, Western Australia, and Caroline Louise, eldest daughter of Mr and Mrs M. C. Pinnell, of Winchester, Hampshire.
Mr V. Singh and Miss V. K. Markham. The engagement is announced between Vijay, son of Lieutenant-Colonel and Mrs Subbar Singh, of Jalpur, India, and Victoria Katharine, elder daughter of Canon and Mrs Gervase Markham, of Morland House, Farnham, Surrey.
Captain I. A. Vere Nicoll, MA, and Miss M. J. Wormald. The engagement is announced between Ian Vere Nicoll, MA, and Miss M. J. Wormald, of the Royal Hospital Chelsea, and Joanna, daughter of Dr and Mrs P. J. Enders, of Grimsdale, Salisbury, Wiltshire.

Marriage
Mr M. Robertson and Mrs V. de Pury. The marriage took place on January 23 at St Michael's, Chester between Mr M. Robertson, of the Old Mill, Oakley, Essex, and Mrs V. de Pury, of 48 Ebury Mews, SW1.

Memorial service
Lord Wall. A memorial service for Lord Wall was held yesterday at St Bartholomew's Church, London, by the Rev Barry Griston officiating, assisted by the Rev Arthur Brown. Lord Hill of Luton gave an address. The service included the reading of the Lord's Prayer, the Lord's Supper, and the singing of hymns. The service was held in the presence of a large number of guests, including members of the House of Lords and the House of Commons.

Dinner
The Lord Mayor, accompanied by the Sheriff, was the principal guest at a dinner of the Franchise Association, held at the Grosvenor Hotel, London, yesterday. The dinner was held in honour of the Lord Mayor and the Sheriff, and was attended by a large number of guests, including members of the House of Lords and the House of Commons.

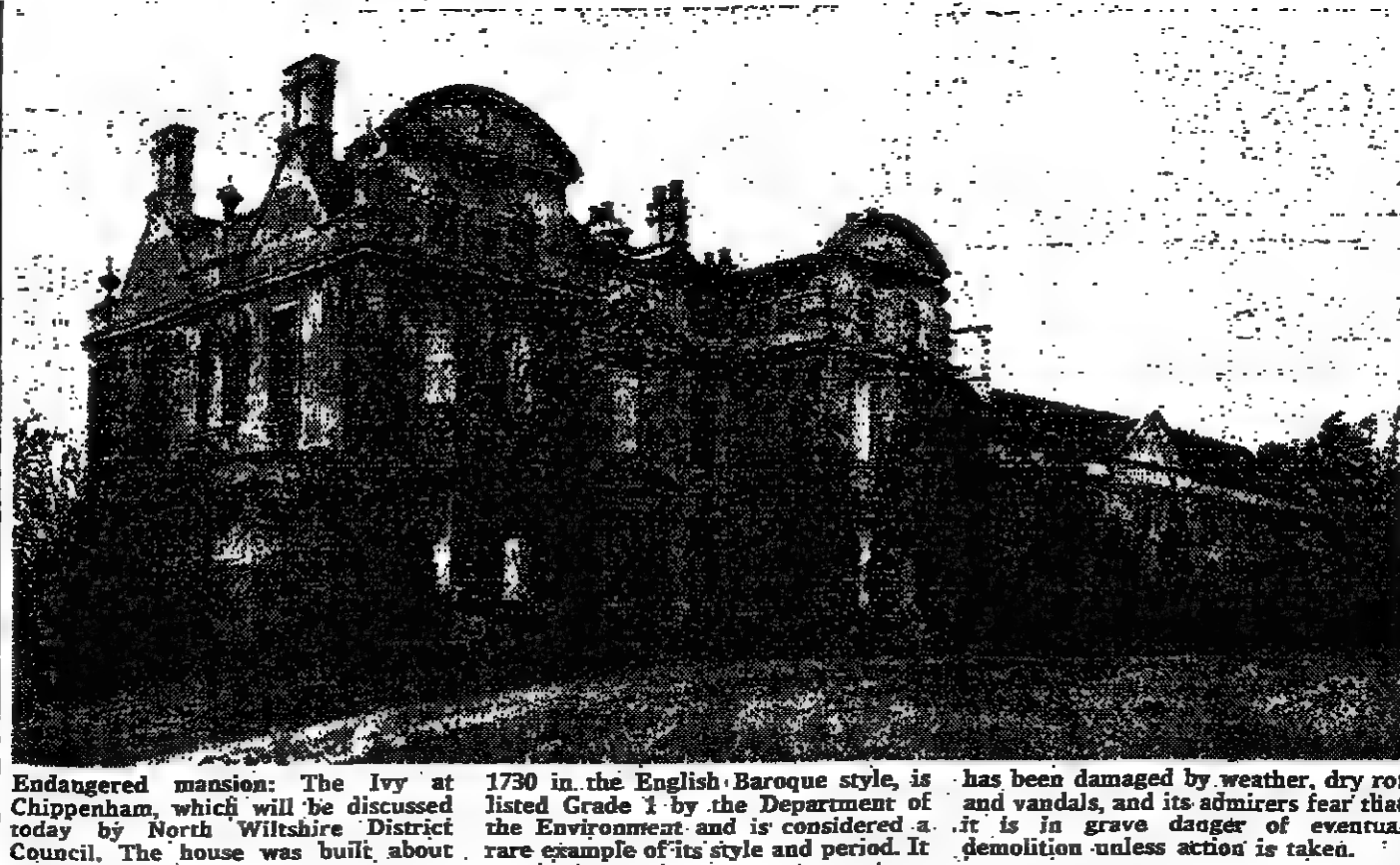
25 years ago
From The Times of Thursday, Jan 26, 1956
Fighting inflation
The chairman of the Bank of England, Mr. C. D. Nicholson, today announced that the bank had raised its bank rate to 10 per cent, the highest since 1951.

The chairman of the Bank of England, Mr. C. D. Nicholson, today announced that the bank had raised its bank rate to 10 per cent, the highest since 1951. The bank also announced that it had increased its minimum cash reserve ratio from 15 to 20 per cent.

The chairman of the Bank of England, Mr. C. D. Nicholson, today announced that the bank had raised its bank rate to 10 per cent, the highest since 1951. The bank also announced that it had increased its minimum cash reserve ratio from 15 to 20 per cent.

The chairman of the Bank of England, Mr. C. D. Nicholson, today announced that the bank had raised its bank rate to 10 per cent, the highest since 1951. The bank also announced that it had increased its minimum cash reserve ratio from 15 to 20 per cent.

The chairman of the Bank of England, Mr. C. D. Nicholson, today announced that the bank had raised its bank rate to 10 per cent, the highest since 1951. The bank also announced that it had increased its minimum cash reserve ratio from 15 to 20 per cent.



Endangered mansion: The Ivy at 1730 in the English Baroque style, is being demolished by the Department of the Environment and is considered a rare example of its style and period. It has been damaged by weather, dry rot and vandals, and its admirers fear that it is in grave danger of eventual demolition unless action is taken.

Today's engagements

Princess Alexandra attends luncheon at presentation of The New Standard Drama Awards for 1980, Savoy Hotel, 12.30.
Exhibitions: Tribute to Anna Parlova 1881-1931, Museum of London, 10 to 6; Prints and watercolours by Anton Kratoch, Francis Kralj, 9 Madison Street, 10 to 6; New paintings by Adrian Hill, Redfern Gallery, 20 Cork Street, 10 to 5.30; Persian carpets, paintings, 9 Madison Street, 10 to 6; New paintings by Adrian Hill, Redfern Gallery, 20 Cork Street, 10 to 5.30; Sculpture with architecture, 9 Madison Street, 10 to 6; New paintings by Adrian Hill, Redfern Gallery, 20 Cork Street, 10 to 5.30.

Talks: "Action to conserve resources" by Sir John B. G. S. Buckmaster, South Place Ethical Society, Conway Hall, Red Lion Square, 7.30; "The future of the Channel Islands" by Sir John B. G. S. Buckmaster, South Place Ethical Society, Conway Hall, Red Lion Square, 7.30; "The future of the Channel Islands" by Sir John B. G. S. Buckmaster, South Place Ethical Society, Conway Hall, Red Lion Square, 7.30.

Luncheon music: Margaret Phillips, organ, St Lawrence Jewry, 1; Kreutzer's String Quartet, Bishopsgate Hall, 1.05; Takahashi Shizuko, violin, Fairfield Hall, Croydon, 1.05.

Buxton Festival likely to go ahead

By Martin Ruckerby
Despite a big deficit and the loss of its grant from the Arts Council, the Buxton Festival, in Derbyshire, is likely to go ahead this year, although this year in a shortened form.
Mr David Hunter, the festival chairman, said that the organisers hoped that they would find enough money to stage the 1981 festival.

Founded in 1979 as something of a northern Glyndebourne, the festival had difficulty last year in attracting audiences for the relatively expensive opera productions. It now has a £105,000 deficit from last year and Mr Hunter said they would try to redeem part of that deficit this year.

The organisers hope to give a definite go-ahead in the next few weeks.
Mersey church leaders' appeal
By Our Religious Affairs Correspondent
Church leaders in Merseyside, led by the Bishop of Liverpool, the Right Rev David Sheppard, and the Roman Catholic Archbishop, Cardinal Basil Hume, have appealed to the city council to increase grants to voluntary welfare organizations rather than to freeze them at last year's levels.

The proposal to freeze the grants is to come before the council on Wednesday. The churchmen said it would lead to some organizations having to close and others to cut their services.

Stamp exhibition
An exhibition demonstrating the development of British stamp designs since 1955 was opened yesterday at the Design Centre, in Haymarket, London, by Sir Hugh Casson, President of the Royal Academy.

BBC involvement in local stations to be reopened

Decision week for islands' radio
From Our Correspondent.
St Peter Port.
After years of discussion and negotiation, the Guernsey and Jersey parliaments will be asked to decide this week whether they want the BBC to set up local radio stations in the two islands.

Partly because it was felt that such a step would be handing over to the United Kingdom the two medium-frequency wavelengths assigned to the Channel Islands and 1976, the broadcasting committees in Guernsey and Jersey originally recommended a commercially run Channel Islands radio station.
That proposal was rejected by MPs in both islands in favour of starting negotiations with the BBC. However, Guernsey's broadcasting committee has now rejected the question of asking the island parliament to decide tomorrow whether it wants arrangements with the BBC to be completed or would like the possibility of commercial radio to be reconsidered.

In Jersey, where the broadcasting committee is simply seeking approval today to allocate the island's wavelength to the corporation, a number of members are to make a last-minute attempt to have the committee asked to invite in the BBC to reconsider.
Guernsey's broadcasting committee believes it is justified in seeking a new mandate because the BBC has considerably reduced its offer to the Channel Islands since negotiations began.
At one time the corporation was talking of a Channel Islands station broadcasting between six and ten hours of community programming daily. This was later changed to four hours a day, and because of the corporation's present financial position it is proposing to set up separate Jersey and Guernsey stations putting out "not less than an hour" of local programmes with the rest mainly from Radio 2.

German dealer pays £990 for 160 horse brasses

By Geraldine Norman
Sale Room Correspondent
There was good news for collectors of horse brasses at Phillips' sale of a collection of 160 split into 14 lots, were all bought by the same German dealer. They cost him £290,000 (estimate £3,000 to £5,000).
It appears there is a new market developing in Germany for those highly polished anachronisms, many usually found framing the electrically glowing coils in the fireplace of a British public house.

The German dealer paid £50 for a group of five, including one portraying Disraeli. A group of 10 animal subjects, including a fox and a squirrel, made £40. The most expensive, a pair of high brasses, which sold for £100.

Phillips' sale of modern pieces totalled £38,172, with 25 per cent of the units, as well as three girls, entitled "In the Field", by Dame Laura Knight, was sold to Bourne for £2,200 (estimate £1,000 to £1,500). However, a lot of three silver and gold pieces, which sold for £1,000 (estimate £500 to £1,000), was sold to a collector for £1,000 (estimate £500 to £1,000).

At Sotheby's a sale of Russian works of art made £56,070, with 22 per cent unsold. That percentage was indicated by three good lots, including a silver and gold clock, a silver and gold clock, and a silver and gold clock, which sold for £1,000 (estimate £500 to £1,000).

The University College Library spent £100 (estimate £25 to £35) on a slightly worn first American edition of Jeremy Bentham's *Deontology*, which was published in Philadelphia in 1796.

OBITUARY

MISS ADELE ASTAIRE

Actress and dancer of the 1920s

Miss Adele Astaire, actress and dancer, died in Phoenix, Arizona, on January 25. She was 82.
She and her younger brother Fred were the most endearing dancing partnership, both in New York and London, during the 1920s and 1930s. Their "musical comedy" theatre of the nineteen-twenties. But whereas Fred would go forward to a fresh career in the cinema, Adele retired from the stage after her first marriage in 1932.

Born at Omaha, Nebraska, on September 10, 1898, she came to the New York theatre in 1917 from the touring troupes of American vaudeville. Always to the fore in the Astaire repertoire, the Astaires developed a close understanding, though each could act and sing, it was their expert feather-light dancing that counted. "I hadn't realised before that dancing was possible," wrote Noel Coward, remembering them as they appeared in *The Love Letter* (Globe, New York, 1921). By then the couple had had four years in such productions as *Over the Top*, *The Passing Show of 1918*, and *Ample Blossoms*. They were young, personable, irresistibly exuberant, and devoted to their work.

During the spring of 1922 they had appeared in a New York musical farce called *Goodness* Sake. It was with this, re-named *Stop Flinging*, that they danced themselves into London at the old Shaftesbury Theatre on May 30, 1923, singing "The Whyness and the Whyness" and dancing the so-called Oom-pah Trot. They were the first night's excitement, but the show was general was badly noted; it was on the point of closing when suddenly, thanks to royal patronage, it became fashionable in Mayfair and ran on (with a transference midway to the Strand Theatre) for more than twelve months.

It is strange that the Astaires, so securely among the dominant figures of the stage during the nineteen-twenties, danced together in only three London productions. All three were as triumphant as on Broadway where they originated, particularly *Lady Be Good* with a score by George Gershwin and lyrics by his brother Ira.

M ROBERT BALLANGER

M Robert Ballanger, president of the French Communist Party's group in the National Assembly died on January 25 and by his death the party has lost one of its most respected members. He was 68.
Born at Nantes on November 2, 1912, Robert Victor Marcel François Ballanger joined the Communist Party at the age of 19 at the time when it was waging a bitter battle over strategy with the Section Française l'Internationale Ouvrière (SFIO)—the forerunner of today's Socialist Party.
While working in the Nantes office of the Ministry for the Colonies during the 1930s he became a member of the Comité National de la Résistance. He was a member of the original Political Control, a position which made him an early leader of the Resistance movement in Britain after the German occupation in 1940. His war service with the Resistance won him the Croix de Guerre and the Médaille de la Liberté. A member of the Franc-tireur and Partisan High Command, he had been made vice-president of the Seine et Oise Liberation Committee in 1944.

MR TOMMY WESTON

Tommy Weston, the Yorkshire-born jockey who rode 11 classic winners, nine of them for Lord Derby between 1923 and 1934, has died in hospital in Ely. He was 78. The son of a Dewsbury railway worker, he left a local Roman Catholic school at the age of 13 to work on the old Lancashire-Yorkshire railway. A year later found him apprenticed to Ned McCormack at Middleham and in 1918 when still weighing less than six stone, he rode his first winner at Newmarket. In 1920 he was knighted, in the 2,000 Guinees. A forthright and determined character contributed to his popularity and his many successes on the turf, and these qualities added in unusual strength and stamina ensured his survival after his ship was sunk off Singapore during the last war.

SIR ARNOLD WATERS, VC

Sir Arnold Waters, VC, CBE, DSO, MC, who died on January 22 at the age of 94, was his Victoria Cross on November 4, 1918 a week before the end of the First World War.
He was then a captain (acting major) in the 218th Field Company, Royal Engineers. Waters and his men were under artillery and machine-gun fire in close range, when bridging the Oise-Sambre Canal, the bridge was damaged and the building party suffered casualties. Waters, hearing that all his officers were killed or wounded, at once went forward and personally supervised the completion of the bridge working on cork floats while under fire at point blank range. So intense was the fire that it seemed impossible that he could survive, being killed. The success of the operation saved the citation for his award, was due entirely to his valour and example. Earlier he had won a DSO and an MC.

MR QUINTIN RILEY

Professor W. S. Allen writes: May I add a short postscript to my obituary of Quintin Riley. I recall that some of those outside naval and aviation circles who have been saddened to read of his death provided one of the more hilarious interludes in a course which, in spite of discomforts and thanks largely to Riley and his colleagues, persisted in being cheerfully arctic rather than grimly military.

THE TIMES

BUSINESS NEWS

EXPERIENCE, EXPERTISE,
AND TEAMWORK
IN CONSTRUCTION.
**TAYLOR
WOODROW**

Sir William Barlow calls for state groups to be restructured

By Peter Hill
A call to restructure the nationalized industries and bring them under the jurisdiction of the Companies Acts, operating as though they were subject to Stock Exchange rules, was made last night as part of a eight-point programme by Sir William Barlow, former chairman of the Post Office.

Sir William, who resigned last year after a series of disagreements about the degree of intervention in the Post Office's affairs, said that the state industries could be changed into Companies Act concerns with equity capital forming most of the funding, even if all the shares were held by the Government.

Under the new structure they would be expected to pay a dividend, and public performance ratios should be published in the same way as they were for private sector companies, with shares available for purchase by the public. He said that some would become like British Petroleum, whose ownership is shared, in operations and performance.

Sir William was addressing a meeting organized by the Royal Institute for Public Administration on the problems of managing nationalized industries. He said that once the transformation had been achieved, the term "nationalized industries" itself should be abolished because it had become synonymous with "difficult, argument, subsidy and inadequate performance". Instead, the word could be called "national companies".

After the change, the Government should be responsible for the appointment of chairman and of the non-executive directors of the new companies. The non-executive board members might select a chairman but would certainly be responsible.

Talks on loans to boost energy conservation

By Our Industrial Editor

Discussions are taking place between the European Investment Bank and the Treasury along with other financial institutions, to develop a loan scheme promoting energy conservation investment in the United Kingdom.

Top officials of the EIB want it to be similar to the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas orders to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for the first 3 years to 1 per cent.

Only half the loan will be drawn down immediately, and the rest will be in the form of a standby facility.

British Gas intends to order 15 production and processing platforms this year, 12 of them for its Morcombe Bay field and the rest for the partly depleted Rough field in the southern sector of the North Sea to be used for storage. The orders form part of a £1,400m investment over the next four years.

Arab stake increased
Kuwait Investment Office has increased its stake in Royal Insurance to 5.39 per cent, and now has holdings of more than 3 per cent in most big British insurance companies.

Brokers' talks fail
R. P. Martin, the London-based money broker, has broken off talks with Bierbaum, the German money broker, about permanent trading relations.

STC redundancies
Between 300 and 400 at Standard Telephone and Cables (STC) two Northern Ireland factories are expected to be made redundant as a result of the Government's tight borrowing restrictions on British Telecom.

Touche Ross merger
Touche Ross is expanding its international links with a merger in Hongkong with Kwan Wong Tan Fong, the largest Chinese firm of chartered accountants.

Tax avoidance move
The Inland Revenue is asking for suggestions on the replacement of the provision for counteracting international tax avoidance by companies.

NEB appointment
Sir Frederick Wood was yesterday confirmed as chairman of the National Enterprise Board.

Wall Street lower
The Dow Jones industrial average closed 1.28 points down to 938.91. The S&P 500 was 1.2594. The £ was 0.523785.

Stock markets
FT Ind 453.9 up 8.2 pts
FT Gilt 65.56 down 0.23

Sterling
\$2.4153 up 0.05 pts
Index 61.0 up 0.6

Dollar
Index 87.3 up 0.5
DM 2.0542 up 0.25

Gold
\$529.50 down \$23

Money
3 month sterling 14.7-14.8
3 month Euro-S 181-182
6 month Euro-S 171-172

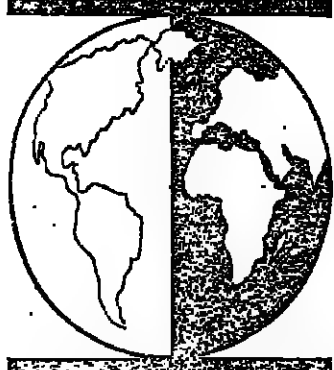
INEBRIE

\$2,000m Euroloan to help Italian industry

International banks are rallying to Italy's support after last week's earthquake. Bankers Trust, one of the big New York banks, is putting together a \$2,000m (835m) syndicated Eurocredit facility to help with the reconstruction.

Bankers have been impressed at the way private Italian interests have stepped in to supervise the rebuilding of industry devastated in the earthquake, rather than leave it to the Italian Government whose record in past natural disasters has been considered less than effective.

The loan, to the Cassa per il Mezzogiorno, is to be split into two \$1,000m tranches, both for eight years. One is at 1 per cent margin above United States prime rates for the first three years rising to 1 per cent thereafter, and the other is linked to the London interbank rate rising from 2 per cent for



US officials seek aid for Chrysler from Japan

Mr Michio Watanabe, the Japanese finance minister said that three senior United States officials were seeking Japan's help in rescuing the ailing Chrysler car corporation.

He said that he had passed the request on to Mr Zenko Suzuki, the Prime Minister, but would not say what the Reagan Administration wanted from Japan or name the three officials, although government sources said one of the three was Mr Paul Volcker, the chairman of the Federal Reserve Board.

Chrysler has a minor shareholding in Mitsubishi Motors which has been a leading supplier of small cars and engines for sale by Chrysler in the United States.

Tigris project

A German-Italian consortium led by Hochtief, the West German heavy construction company, has been awarded a contract valued at around DM3,000m (£596m) by the Iraqi irrigation ministry to build a dam across the River Tigris.

Cargo carrier funding

The Wah Kwong shipping group has negotiated a financial package from Chartered Bank worth the equivalent of £23.75m to cover part of the construction costs of a 260,000 ton deadweight dry cargo carrier for Chivalry Carriers.

Bonn M3 up 6.9%

West Germany's seasonally-adjusted broadly-defined money supply, M3, grew at a projected annual rate of 6.9 per cent in December, up from 5.9 per cent in November and 3.5 per cent in December 1979.

Alfa workers laid off

More than 6,000 workers at the Alfa Romeo plants in Milan were laid off for the rest of the week under plans by the management of the state-owned car manufacturer to reduce excessive stocks.

German inflation up

The West German cost of living index for January is expected to show a rise of around 6 per cent compared with the January 1980 figure after a 5.5 per cent year on year rise in December.

GM spending

General Motors is to spend \$80,000m (£33,333m) on new products, plant and technology between now and the end of the decade, according to an American trade paper.

China's 'open door'

China is maintaining an "open door" policy in foreign trade and economic cooperation, despite economic restraint and cuts in capital investment, Vice Premier Gu Mu said.

Credit for India

India is seeking a 7-year, \$200m (£83.3m) bank loan for its Oil and Natural Gas Commission with a margin of only 1 point above the London Inter-Bank Borrowing Rate for the first two years and then 1 point above it for the last five years.

Romania canal loan

The Investment Bank of Romania has successfully negotiated an 8-year \$200m (£83.3m) loan with 32 banks for financing of the Danube-Black Sea canal project.

Swiss interest move

Two leading Swiss cantonal banks are to raise 5 per cent interest on medium term notes of all maturities. The large commercial banks raised their rates on Friday.

Brazil approach

The Brazilian Government has approached the French state-owned Renault motor group about the possibility of establishing a motor industry in the Recife region.

Futures inquiry

The Taitva police have detained several executives of unauthorized futures trading houses on charges of fraud and tax evasion.

Morocco loan

The World Bank is to lend Morocco \$136m (£56.6m) to boost the tourist trade and employment.

Dutch orders

The Dutch seasonally adjusted index of industrial orders in hand was unchanged at 91 (January 1978 = 100) in December.

Poor wine harvest

The West German wine industry had a "catastrophic" 1980 harvest of 102 million gallons, 43 per cent less than in 1979.

Harrods orders

Buyers from Harrods department store are to place substantial orders for fashion dresses and separates designed and manufactured in Hongkong.

US car sales down

New car sales in the United States declined 9.4 per cent in mid-January compared with 1980.

European and Japanese banks will be preferred for future borrowings

Iran's credit rating likely to improve

When the controversy over the 52 American hostages has died down, many European bankers privately predict that Iran may emerge with a good credit rating and a need to borrow, but with a strong preference for dealing with European or Japanese banks.

Iran is generally regarded now as uncreditworthy. But the Swiss Credit Bank and Banque Nationale de Paris say they are still providing short-term trade and bridging finance against strong guarantees. Most European bankers, however, agree with Mr Gilbert de Botton, of the Bank Rothschild in Zurich, that Iran could raise longer-term money today only by pledging gold or cash.

While Iran's domestic politics and its war with Iraq account for much of the European bankers' reserve, another factor is the claims that many western banks and companies still have against the country.

Although Iran has agreed to pay off all its roughly \$3,600m (£1,500m) worth of syndicated bank debts, the big American and European banks still have outstanding about \$1,400m of private loans to Iranian companies and individuals. In addition, the bankers also want compensation for the 47 foreign-controlled banks nationalized at the revolution.

The British, West German and French

export-promotion banks still refuse to extend credit to Iran. It is a simple matter of risk assessment that has nothing to do with the hostages, a spokesman for Britain's Export Credit Guarantee Department said.

There is no sign, however, that Iran wants to borrow from western bankers. At a recent seminar, Mr Ibrahim Bahmaie, London manager of Bank Saderat, one of Iran's leading banks, said he did not expect Iran would need to borrow from foreign banks this year.

One of the reasons why Iran agreed—to the surprise of many bankers—to pay off immediately all its syndicated bank debt, is thought to be a cash shortage that made it desperate to recover at least some of its frozen assets quickly to finance the war with Iraq.

Bankers feel that Iran can probably keep going without foreign assistance for the best part of a year on the \$3,000m in gold and cash it has already recovered in return for the hostages, together with its earnings from the 700,000 to 1 million barrels of oil it apparently is now selling daily at about \$37 a barrel.

Iran's credit standing in Europe is surprisingly good, Mr Yves Laidan, chief economist at Societe Generale, a big French state bank, said. The financial side of the picture must be separated from the humanitarian.

Many European bankers seem to agree. They argue that Iran has sought to meet its financial obligations, within the limits imposed by the Carter freeze. The bankers remain critical of the freeze, particularly its extension to Iranian funds in overseas branches of American banks, which is still seen as unwarranted political interference in other countries' affairs.

They also say that Iran will emerge from the assets freeze almost free of foreign debt, if outstanding claims can be successfully arbitrated by the tribunal provided for in the hostage agreement.

Some American bankers also show signs of wanting to patch up their quarrel with Iran. Morgan Guaranty, which infuriated the West German Government last year by persuading a German court to attach Iran's roughly 25 per cent stake in Krupp and Deutsche Babcock confirmed last week that it would like to lift the freeze on the American bank's share.

Most European bankers are convinced Iran's leaders will never again do business with the big American banks. But some of them see the decision by Iran to repay most American syndicated bank debt as a calculated attempt to wipe the slate clean.

Paul Lewis

New York Times News Service

Rolls-Royce expecting 1982 profit

By Arthur Reed

Rolls-Royce, the state-owned aero-engine manufacturer, expects a return to profitability in 1982 after making losses during 1979, 1980 and this year.

The company's 1981 results for 1980 in May, the company is expected to report a halving of its pre-tax loss of £58.4m made in 1979. It made £11.7m in 1978, its last profitable year.

Although it is still suffering in overseas markets through the strong rate for sterling against the dollar, two other factors are helping Rolls towards its financial turnaround. These are the slowing of the inflation rate in Britain and the increasing productivity by its 57,000 workers.

By 1984, the company expects that productivity will equal that of Pratt and Whitney and General Electric, its main American rivals. It is expected to reduce the price of its engines and spares.

As part of the drive towards higher productivity, Rolls is to shed 2,000 jobs this year and a further 1,000 in 1982, mainly through natural wastage.

Union calls for increased public investment in chemicals

By John Hurley

Leaders yesterday urged the Government to take the lead in maximizing the use of North Sea feedstocks in Britain by enlarging the public stake in the chemicals industry.

One way in which this could be done is by allowing the British National Oil Corporation to become a producer of petrochemicals. The state-owned corporation is being allowed to act as a wholesaler for feedstock gases which will become available from the North Sea gas gathering pipeline. The Government has so far ruled out its entry into downstream activities.

The suggestion is included in a union report containing a 10-point recovery plan for the chemicals industry launched by the General and Municipal Workers' Union in London yesterday.

The union says that a full scale programme to harness and use the feedstocks is urgently needed, and it accuses the multinational companies like Shell, ICI, Esso and BP

of reacting belatedly to the opportunities now presented. The union notes that investment is estimated to be likely to fall by as much as 30 per cent between 1978 and 1982.

"It is nonsense for the industry to claim that the resources are not available. On the contrary, billions of pounds will be coming available every year from the Government's North Sea revenues and from the vast savings in pension schemes."

"This money must be channelled to where it is needed—into investment projects such as those associated with North Sea feedstocks, which are crucial to industry's long term survival."

The GMWU repeats its call for selective import controls. It points out that United States imports of chemicals to the European Community have risen quickly, and in the case of some products, like PVC, trebled in the first half of last year alone.

The GMWU report, *Crisis in Chemicals*, strongly criticises the role of the large companies

and defends workers against allegations of excessive wage claims and low productivity. It claims that the campaign by the Chemical Industries Association to ameliorate the burden of the industry's costs by industry was a noisy, diversionary tactic.

Publication of the report coincided with the opening yesterday of the union's national chemicals conference. Mr David Warburton, the national industrial officer, told delegates: "There is no doubt that some chemical companies are in difficulties as a result of Thatcherism, but that is no excuse for the scale of cutbacks in certain companies."

Large-scale redundancies have been announced in recent months by BP Chemicals, Shell, ICI Fibres and Fisons in its fertilizer division.

Although the GMWU supports new investment, it appears to have been unable or unwilling to evaluate the merits even in terms of jobs pay-off, of the various schemes now competing for access to North Sea feedstocks.

Further job fears over Tate closure

By R. W. Shakespeare

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle sugar refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 112-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to take effect in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

LETTERS TO THE EDITOR

Importance of sugar arrangement

From The High Commissioner for Guyana

Sir, In today's edition (January 23, page 15) you are good enough to quote from the statement I issued on behalf of the governments of the suppliers of cane sugar to Britain expressing our concern about the decision by Tate & Lyle to close its Liverpool refinery. You go on to say that British ministers "were taking a different line" and had pointed out that the remaining capacity of the refineries would only be some 60,000 tonnes below the actual level of inputs from ACP countries last year of around 1.1m tonnes. In fact, according to the statistics I have seen, this last figure should be nearly 3.2m tonnes. However, my real purpose in writing to you is not to advert to discrepancies in figures cited but rather to explain why the governments of the supplying countries believe such an important issue of principle is at stake if any part of the traditional quantity of sugar supplied to Britain is turned away.

The Brandt Commission have recently highlighted the problems faced by countries which are heavily dependent upon the earnings of primary products. In the case of sugar these stem from two main factors—the high protection accorded to domestic producers of beet sugar and the huge surplus within the EEC. The problems are especially severe for the countries on whose behalf I am writing. Sugar constitutes a large proportion of their exports and provides substantial employment; this is a crucial factor where the incidence of unemployment can be three to five times that of the United Kingdom.

Our governments have warned the British Minister of Agriculture and his predecessor that unless the expansion of British beet sugar production was controlled, or arrangements were made to export surplus beet sugar from Britain, there would no longer be a secure market here for the traditional quantity of cane sugar. Our fears have now proved correct and

some sugar is to be denied access to this market. It is, of course, always possible to seek to argue that the first step towards the abrogation of principle is unimportant in itself. However, we do not see it this way. The guarantees relating to access to Europe for the whole of the quantity covered by the sugar protocol are absolutely specific. In practice their implementation depends overwhelmingly on the British market. Therefore, any erosion of this must seriously undermine the basic guarantees themselves. This is why our governments are resolved to seek to dyke this breach so that the closure of the Liverpool refinery will not prove to be the beginning of the end of the existing cane sugar arrangement with all the distress that this would cause for our countries.

Yours faithfully,
CEDRIC H. GRANT,
Guyana High Commissioner,
3 Palace Court, Bayswater Road,
London, W2 4LP.

Fisher report proposals

From Mr Colin Baillieu

Sir, I attended the meeting in the Albert Hall in November when the proposal of the Lloyds report on Lloyds was adopted by an overwhelming majority. I subsequently attended a meeting at Lloyds itself, the purpose of which was to establish an association of external names. The meeting was a shambles and the proposed committee and a list of objectives for the proposed association were rejected. Three people, including the chairman, Mr Middleton, were more of a sense of politeness and embarrassment—allowed to call themselves a steering committee for the summoning of a future meeting to reconsider the formation of an association.

First it will begin the petrification of the processes and lead inevitably to the decline of the country's biggest "invisible" export earner. Secondly, it will erode the concept of high risk and unlimited liability which underpins the only political justification for the sort of profits for which external members like myself join Lloyds.

My fear is that the publicity given to a small group, who are thought to be acting with the authority which they do not possess, could encourage work of the Fisher committee and the chairman of Lloyds who are seeking to up-date the structure of one of Britain's few profitable, thriving high-technology and high-risk businesses.

Yours faithfully,
COLIN BAILLIEU,
Hoyle Farm, Heyshott,
Midhurst, Sussex,
January 21.

Lady Middleton and her associates want protection, but if that is what they want they should not be in Lloyds in the first place. Lloyds is a market of high sophistication and high risk and hopefully for individuals, as well as for the country, high profits. It differs from other markets and other ways of making money in one vital respect: as a member of Lloyds you have unlimited liability. You know this before joining, and you are specifically told so on joining. Those who seek to join by unlimited liability should be prepared to die—or at least suffer—for it.

Many of the reservations about the Fisher proposals can be dealt with by the incoming council after the passing of the Bill. Clause 14, however, a fundamental failure to incorporate it in the Bill will have two disastrous consequences.

First it will begin the petrification of the processes and lead inevitably to the decline of the country's biggest "invisible" export earner. Secondly, it will erode the concept of high risk and unlimited liability which underpins the only political justification for the sort of profits for which external members like myself join Lloyds.

My fear is that the publicity given to a small group, who are thought to be acting with the authority which they do not possess, could encourage work of the Fisher committee and the chairman of Lloyds who are seeking to up-date the structure of one of Britain's few profitable, thriving high-technology and high-risk businesses.

Yours faithfully,
COLIN BAILLIEU,
Hoyle Farm, Heyshott,
Midhurst, Sussex,
January 21.

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle sugar refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 112-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to take effect in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

Wages councils as watchdogs

From Mr Jack Moss

Sir, Mr David Dexter of the National Federation of Self Employed and Small Businesses wants to end wages councils because they are pricing people out of the labour market. (The Times, January 13).

He said, "Most wages councils were set up 60 years ago to deal with 'sweatshop' conditions and slave wages. They are no longer relevant in today's society." He has evidently not heard of the clothing industry.

Two personal experiences in London during October 1980—not 1920. The first: A tailor, male aged 51 on £50 for a 40-hour week. The second: A tailor aged 61, sacked after 71 years. The firm abandoned him—they had run out of cash. He received no holiday pay, nor wages in lieu of notice. His pay was £45 for a 40-hour week.

I would have thought that the ending of a wages council that provides a statutory right of terms and conditions, however inadequate, is better than none at all. If Mr Dexter is serious and considers his proposal a progressive one, then retrospective pay must be considered better, and the 1920's are not very far away.

Yours faithfully,
J. MOSS,
London District Secretary,
Furniture, Timber & Allied Trades Union (London) Hall,
14 Jockey's Fields,
Holborn, London, WC1R 4BE.

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle sugar refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 112-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to take effect in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle sugar refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 112-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to take effect in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

The treatment of customers

From Mr R. Gibbs

Sir,—I sympathize with Mr Fox ("Credit card surcharge", letters, January 19), but he has at least received an explanation, however unsatisfactory.

Last summer I toured the United States in a car rented from Hertz against their own credit card and in the course received an invoice in sterling from the United States, asking whether they were really as expensive as my cheque was promptly cleared but the letter was ignored.

A few weeks later I wrote again with the same result. Somewhat hurt I then wrote to the President of Hertz in Oklahoma, United States, asking whether they were really as expensive as my cheque was promptly cleared but the letter was ignored.

All this leaves Hertz competitors little to do in trying harder, but I think Mr Fox's letter to the Hertz office is very pertinent: what are customers being treated with complete contempt.

Yours faithfully,
R. F. GIBBS,
4 Chantry Hurst,
Woodcote Green,
Epsom,
Surrey,
January 20.

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle sugar refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 112-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to take effect in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

Trade union representatives on Merseyside have expressed fears that the planned closure of the Tate and Lyle sugar refinery in Liverpool, with the loss of 1,570 jobs, could lead to still more cutbacks in an area where unemployment is already running at well over 15 per cent, and where many more redundancies are in the pipeline.

They believe the company's decision to close its 112-year-old Liverpool base may mean more redundancies on the docks and possibly in some related industries such as brewing, food and confectionery manufacturing.

Tate and Lyle workers have voted unanimously to mount "total resistance" to the closure plans, which are due to take effect in April. They are handing over their individual redundancy notices to shop stewards to pass on to a union action committee set up to fight the closure.

Local MPs are already pressing for a Commons debate and several have signed a motion urging the Government to intervene.

Yesterday shop stewards from the Liverpool refinery were attending a joint meeting in London with stewards from the company's two other plants in Scotland and London.

20,000 UK clothing jobs at risk

From Peter Norman

Brussels, Jan 26

Mr Alec Smith, general secretary of the National Union of Tailors and Garment Workers, today gave a warning that 20,000 jobs, representing 10 per cent of the current labour force, could be lost in the British clothing industry this year.

After a day spent visiting EEC Commission officials as a member of a joint delegation of employers and union leaders from the industry, Mr Smith said that the state of employment in the industry had reached critical proportions.

Part of the blame lay with the domestic policies of the

British Government, he said, but a still greater problem was "the misapplication of current trading arrangements".

Mr Gerald French, a director of the British Clothing Industry Association, said that both sides of the industry detected a lack of will on the part of the commission to gain the best advantage from the quotas of the multi-fibre arrangements, the regime under which international trade in textiles and clothing is regulated.

Mr Smith said that the Commission should act with greater speed, particularly when dumping was alleged. "It should act instead of waiting for the decision of the sector," he said.



Mr Alec Smith: warning.

Heavy NCB investment in pit automation

Nuclear methods of sensing coal, underground radar techniques, are likely to follow the National Coal Board's present generation of automation systems. This was indicated by Sir Derek Ezra, NCB chairman, during a recent visit to Bagworth Colliery in Leicestershire.

Bagworth has served as an experimental development site for computer-based monitoring and control systems which are being introduced in collieries throughout the country.

Bagworth's Mine Operating Systems (Mivos) controls almost nine miles of underground coal conveyors, starting them up in the correct sequence, continuously monitoring them and stopping them. It also monitors three storage bunkers and pumping operations to keep the mine free from flooding.

The second part of the Bagworth installation is known as Fido (Face Information Digested On-line). This monitors the mining machine each of three coalfaces, checking whether the machine, with its associated conveyor system, is running or is prevented from cutting coal; and observing the mechanical "health" of the equipment.

This significantly helps to reduce persistent production bottlenecks. Both systems free men from inspection and patrolling duties for productive jobs.

Computer monitoring of mine ventilation is in operation at five other collieries, and development is well advanced

to extend the monitoring technique to the electrical switchgear that supplies power to the mining machines and to ventilation fans.

Sir Derek Ezra, on his visit to Bagworth, said: "We took an old industry and fully mechanized it. Now we are going still further and applying computers and other high-technology techniques to improve the performance of machinery and to control the mining environment. This gives management valuable information and close control of operations in a way that has not been possible before."

"We have by no means reached the limit of information and control systems we can apply to our established and proven methods of mining. These include not only the widespread use of computers, but developments that will utilize nuclear coal sensing and radar techniques underground."

Improvements in emulsifying

An improved method of emulsifying liquids which uses electrostatic forces has been developed at Southampton University and is being promoted for industrial use by the National Research Development Corporation.

This platform will be able to support structures weighing up to 50 tonnes. Twelve hydraulic actuators, under closed-loop servo control, are used to move the platform in the three linear axes and to provide rotation about each axis.

Emulsification, or the

Peter Hill discusses the Government's fresh cash hand-out to BL

Help Sir Keith dared not refuse

Kingdom competitiveness will deteriorate still further this year. The car market will decline by an extra estimated 7 per cent in 1981, posing more problems. So substantial losses are in prospect this year and next for BL Cars, with a further loss in Leyland Group (trucks and buses) this year and a modest profit thereafter.

For his part, the BL chairman has given solemn (though

ner binding) assurances to Sir Keith which have a slightly tougher ring to them than a similar assurance which he gave a year ago. This was that if circumstances arose that compromised the achievement of the objectives of the corporate plan it would be the subject of a thorough-going review with consequent implications for continued government funding.

on Michael has agreed to stay on for a further 12 months when his present contract expires at the end of this year, which must be a great relief to the Secretary of State for Industry. But whether BL will be profitable when the Government faces the next general election is another matter.

This news has prompted suggestions of a "Belux" grouping, which would link the

merged Cockerill-Sambre group, Arbed and Sidmar—companies that in 1980 produced just under 15 million tonnes of steel. If the entire Arbed group is included in the calculations (the company controls most of the Saar steel industry), the Belux combine produced 19.5 million tonnes of steel last year. An eventual link up with Holland would add the steel mak-

ing and marketing capacity of Hoogovens in Limjden and presumably the Hoesch steel group of Dortmund, which with Hoogovens forms the transnational Estel group.

Luxembourg before and after the December, 1978, pact shows how difficult transnational efforts and restructuring can be. The strikes that broke out last week in Liège and Charleroi illustrate the strength of local, not to say, tribal interests in steel making communities.

But the comings and goings of the past week suggest that the merger of Cockerill and Hainault-Sambre—if it succeeds—could have a significance extending far beyond the grimy depressed industrial area that lines the banks of the Meuse and Sambre rivers between

liege and Charleroi. It could be the beginning of a much bigger concentration in the European steel industry, affecting not only the Benelux countries but West Germany as well.

tion rates in Europe. They are confident of winning price rises when EEC farm prices for 1981 are decided in the spring.

A small rise in the price of butter is therefore inevitable, even if the subsidy is main-

The market will meanwhile remain crowded, with suppliers from at least six countries competing for sales in Britain. Dairy lobbies in the EEC failed in their attempts in the 1970s to have New Zealand butter excluded from the British market.

Although the New Zealand share for the early 1980s has not yet been decided by EEC authorities, a large New Zealand presence is certain.

At the end of last year New Zealand still supplied 30 per cent of all butter sold in Britain. The strongest British brand, Country Life held only

Domestic suppliers, however, increased their share of the British market in recent years, with the main losers being exporters in Holland, France, West Germany and the Irish Republic. They all want more money to promote and

How the butter market is melting away

Hugh Clayton

...ession and the strength of the
...effect has been to reduce
...profits in some sectors of
...our redundancies and even
...of existence. Our own interests
...Our Associated Company
...it regret, closed the Evening
...with the Evening Standard. The
...Minimum Lending Rate has eased
...It has also helped to stabilize
...the present strength of which
...our possession of oil. The high
...ity makes exporting more
...of this country. I fear be-

have taken advantage of the fact that they had spent less money abroad in first round development should lead to future growth.

any is concerned, we may not be
rent year for the same increase
seen recently, but our portfolio
we constantly look for ways to
and the real worth of the

on which is signed.

A small rise in the price of butter is therefore inevitable, even if the subsidy is main-

The market will meanwhile remain crowded, with suppliers from at least six countries competing for sales in Britain. Dairy lobbies in the EEC failed in their attempts in the 1970s to have New Zealand butter excluded from the British market.

Although the New Zealand share for the early 1980s has not yet been decided by EEC authorities, a large New Zealand presence is certain.

At the end of last year New Zealand still supplied 30 per cent of all butter sold in Britain. The strongest British brand, Country Life held only

Domestic suppliers, however, increased their share of the British market in recent years, with the main losers being exporters in Holland, France, West Germany and the Irish Republic. They all want more money to promote and

discount their brands in Britain. But profits are so meagre and demands from farmers so insistent that they have little chance of finding it.

Hugh Clayton

Trust Limited
Chairman

pression and the strength of the effect has been to reduce the profits in some sectors of the economy and to create redundancies and even unemployment. Our own interests

ne. Our Associated Company
t regret, closed the Evening
with the Evening Standard. The
Minimum Lending Rate has eased
as it has also helped to stabilize
the present strength of which
our possession of oil. The high
only makes exporting more
this country would I fear be in

have taken advantage of the
last more money abroad in first
these development should lead to
future growth.

any is our concern, we're not too
 sure that the market will increase
 in the next year for the same reasons
 we've seen recently, but our portfolio
 manager constantly looks for ways to
 diversify and the real worth of the
 company which it owns.

100

The year just passed, covering the first twelve months since the change of our accounting date, has reflected the upsurge of dividend activity following the end of dividend suspension in July, 1975. The company has received a total of 100 shares of special dividend from Shell of \$222,000; the overall results that I am able to report that net revenue after expenses and taxation was \$3,244,000.

After provision for the preference dividend the earnings for the year were 31.8p per share (of which 1.5p per share was special) against 23.7p per share for the previous twelve months. Ending the dividend from Associated Newspapers Group Limited, and the special dividend from Shell, the income from other

with the onset of recession and the strength of the pound sterling, the effect has been to reduce drastically corporate profits in some sectors of industry and to reduce the return on investment, thus putting businesses out of existence. Our own interests have not been immune. Our Associated Company has, with the greatest regret, closed the Evening News by merging it with the Evening Standard. The recent reduction in Minimum Lending Rate has eased the pressure on profits; it has also helped to stabilize the exchange rate, thus presenting a somewhat safer target for the presentation of the bill. The high exchange rate certainly makes exporting more difficult, but without it this country would, I fear, be in much greater difficulties.

The Board felt that the special dividend from Shell should be passed on specially in total to Shareholders and this was done in the form of a special dividend last year because of the ending of dividend linkage. The Board was able to recommend a total distribution of about 85% of the available revenue; this year was following the same course and some 80% of the total available is being recommended for distribution.

High interest rates may have been beneficial to some.

During the year we have taken advantage of the exchange rate to invest more money abroad in first class companies whose development should lead to major benefits in our future growth.

So far as your Company is concerned, we may not be able to look at the current year for the same increase in revenues as has been seen recently, but our portfolio is sound and diverse; we constantly look for ways to improve both income and the real worth of the

and we have taken advantage of them but, coupled with the underlying capital from which it stems.

FINANCIAL NEWS

Stock markets

Bargain hunters push equities higher

A small amount of institutional support in a thin market ensures that the new account got off to a firm start yesterday.

Turnover was again described by dealers as low but bargain hunters who felt the market had now been oversold were soon on the scene, forcing prices sharply higher. The absence of sellers in the new account was another contributory factor as most decided to hold on to their stock after the improvement in sentiment.

Investors, frightened of being left behind, gave a boost to electricals and insurance shares while oils made a welcome return to favour.

The only real weakness was again seen in gold shares which fell heavily on the renewed weakness in the bullion price, down 23.2 at \$529, on reports of heavy selling of gold in Hong Kong and the Far East. Nevertheless, jobbers described selling as limited with the thin conditions not helping.

The FT Index, which was 1.9 higher at 10 a.m. closed at its high point for the day up 8.2 at 463.9.

Gills made a hesitant start after earlier weakness on Friday night when the Government Broker announced a new £10,000 "tap". Falls of around £1 were reported as investors sold stock to raise cash for the new issue which is expected to be heavily subscribed.

However, buyers appeared after hours and prices quickly recovered in the thin conditions.

In longer, there were rises of about £1 to £1.50, but at the shorter end falls of £1 were

recorded mainly on lack of interest.

Leading industrials spent a rather quiet session but prices hardened in line with the rest of the market. ICI led the way up with a 4p rise at 288p along with Glaxo at 256p. Smaller rises were seen in Bechams at 169p, Unilever at 443p, Fisons at 130p and GKN at 141p. But fears of lay-offs in the motor industry clipped 1p from Dunlop at 62p and 3p from Lucas at 165p.

Elsewhere, there were plenty of special situations to keep investors' interests alive, including Associated Newspapers' bid for the remainder of the Bristol Evening Post it does not already own.

Shares of BCF leapt to 185p after the 190p share offer but retreated to close at 168p amid fears of a Monopolies and Mergers Commission reference. This was a net rise of 62p. Associated ended the day 5p lighter at 235p.

Shares of Reed International hardened to 184p ahead of figures today, which in turn boosted Bowater 5p to 191p.

Speculative attention was also directed at I. Barget, up 28p at 118p, as hopes that Tinox was about to launch a full-scale bid. Pritchard Services also enjoyed a 4p rise to 124p by R. P. Martin eased 5p to 174p on news that talks with Bierbaum, which holds 15 per cent, had broken down.

Davy Corporation was another weak market, slipping another 4p to 149p on the back of its recent decision to sue its unwanted United States predator, Enserch. However, shares of Renwick were suspended

after hours at 78p as talk of a bid by Kangra did the rounds. Awaiting figures later today, Iuchape slid 8p to 440p while John Brown expanded 6p to 62p ahead of interim figures on Friday.

Meanwhile, press comment helped Horizon Travel 10p to 148p, Avon Rubber 3p to 90p, Parkland Textile "A" 2p to 39p and Epicure 3p to 27p.

News of the death of one of its directors failed to halt the advance of Heron Motor which rose 2p to 291p.

Buyers raised the shares in Godfrey Davis 3p to 161p on the argument that within a few weeks they will be getting 115p a share cash as European pays for the acquisition of Davis's short-term car rental business.

So the rest of Davis is effectively on offer at only 45p a share. RIT indirectly holds nearly 30 per cent of Davis.

In foods, Tate & Lyle continued to reveal in recent figures, climbing 5p to 165p while the thin conditions also helped Somportex 50p to 770p and Wheelers Restaurants 43p to 328p. Associated Dairies, reporting tomorrow, was 5p cheaper at 185p.

Stores held on to their earlier gains with most of the majors closing at the top. Marks & Spencer gained 3p to 117p, Burton Group 11p to 109p and GUS "A" 12p to 470p.

Hopes of an imminent cut in MLR encouraged builders. Blue Circle closed 4p dearer at 344p, RMC 5p at 169p, Tunnel 4p to 254p and BPS 8p to 240p.

Selective buying in a thin market saw a further flurry in electricals. Rascal, reporting tomorrow, jumped 8p to 315p while GEC rose 10p to 595p on a bullish brokers' circular. Improvements were also seen in Plessey of 6p to 273p, and Ferranti 15p to 475p, while among second liners Rode Int advanced 13p to 253p and Mainhead 8p to 78p.

Mercantile House rallied 20p to close at 570p after interim figures, while a return to the black had tumbled Riley 3p dearer at 52p. But the half time announcement from Kaku resulted in a 5p fall to 50p.

Insurance shares featured the placing of 4.75m shares in Royal Insurance, the jump of its recent £113m rights issue. The shares were placed at 345p or 6p below yesterday's closing levels. GRE rose 8p to 300p, General Accident 8p to 298p and Eagle Star 7p to 248p.

Oil recovered on rumours that President Reagan was about to deregulate oil prices. Rises among the majors had BP 12p higher at 402p, Ultra-mar 8p to 483p, Lasso 5p to 674p and Kicentrol 5p to 302p.

Among second liners KCA International rose 6p to 163p and IC Gas 10p to 238p while rumours of a bid for Carless Capel up 12p at 175p and Candecade 11p heavier at 215p.

Sharp falls in gold shares saw Randfontein £5 3/16 to £24 15/16, Western Holdings £3 1/2 to £26, and Buffersfontein £2 1/16 to £14.

Equity turnover on January 23 was £129.866m (18,027 bargains). The most active stocks, according to the Exchange Table, were Ultramar, BP, Premier Oil, European Ferries, GEC, ICI, Royal Insurance, Land Securities, Midland Bank, De Beers, RTZ, Distillers and Allied Breweries.

Traded options had a dull day in spite of better equity prices. Only 665 contracts were traded, with Lough and ICI seeing the most business.

Traditional options had a quiet day. Calls were arranged in Eleburg Gold at 24p, Britannia Arrow at 5p and Simmer and Jack at 25p.

Return to profits at Stroud, Riley

By Margaret Pagano

Management reshuffles and vigorous restructuring over the last year have succeeded in turning round the loss-making Bradford textile manufacturer Stroud, Riley, Drummond.

In the half year to September the group reported a profit of £115,000 last time. Sales were marginally down from £3.69m to £3.58m. In the last full year to March 31, 1980, the group lost £62,000. After tax, losses were £194,000. This included an extraordinary item of £108,000. The interim gross dividend is doubled to 1.42p. The shares gained 3p to 52p on the news.

Mr Stefan Simmonds, chief executive and deputy chairman, said the results reflected the work of the new management team and restructuring carried out in the last year. Trading conditions had continued to be tough but by cutting overheads and using assets the group was able to make headway.

Last year's results included substantial losses for redundancies and closures, when the workforce was halved to 200 employees and its spinning business closed. Although demand for the group's staple manufacturing of worsted suit and knitted fabrics has not picked up, margins have improved.

There is a "strong probability" that Mr Simmonds, the largest shareholder with 29.9 per cent of the equity, will soon take up his option for a further 9.2 per cent of the shares, at 42p each.

Southampton hotel for Queens Moat group

Contracts have been exchanged for Queens Moat Houses to buy the Cotswold Hotel, Southampton, from Gileys Hotels and Catering. The parent of True Temper, which controls 32.9 per cent of Maguire's capital, Maguire's board is considering the offer.

This values Maguire's ordinary capital at £18.5m. The offer is subject to the approval of the parent of True Temper, which controls 32.9 per cent of Maguire's capital.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Maguire's board is considering the offer.

Renwick suspended amid rumours of Kangra bid

By Peter Wilson-Smith

Shares in Renwick Group were suspended yesterday at 78p, pending an announcement, amid speculation that the mysterious Kangra International Holdings is about to bid. Renwick's merchant bankers, Samuel Montagu, hoped to make an announcement today.

Kangra, a Hong Kong-based company, has built up a 27.5 per cent stake in Renwick by aggressive market purchases through stockbrokers. A. J. Bekhor, paying as much as 85p a share. This buying, combined with earlier large purchases by Bekhor on behalf of Uto Bank 65p a share, had taken AAE, the industrial holding company, made for fuel distribution to travel agents group Renwick.

AAH's offer lapsed earlier this month, although it still holds over 10 per cent of Renwick.

Hallite rises 13pc midway

Hallite Holdings, the precision seal maker has once again sidestepped the engineering recession. Sales in the half year to November 1 rose by 11 per cent in value to £4.2m while pretax profits were ahead by £108,000 to £343,000. The interim dividend stays at 3.53p.

But recession is catching up. Sales by volume in the latest half year fell. Hallite Plastics and Hallite Minors did not do well. Orders are down and the signs point to smaller profits for the full year to May 2. Even so, dealers were pleased with yesterday's news and the shares rose 2p to 114p where the yield is nearly 10 per cent.

It is also clear that Hallite has succeeded in controlling costs. In the financial year to



Mr Clifford Wilton, chairman of Renwick Group.

Uto Bank holds 22.5 per cent on behalf of six clients said to be unrelated and 200,000 shares itself. Several attempts to discover the prime movers behind Kangra, an off-the-shelf com-

pany formed last April, came to nothing but Renwick directors are thought to have met Kangra yesterday. Under Take-over Panel rules Kangra would have to bid not less than the highest price it has paid in the market, suggesting a price of at least £7.6m for the ordinary shares in Renwick.

AAH, which owns Western Fuels in partnership with Renwick, recently rejected an approach for its stake, thought to come from Kangra, so that "we can talk to them from a position of strength", Mr William Pybus, the chairman, said.

Mr Pybus said it was intolerable that the people behind both Kangra and the Uto Holdings were unknown and both the Stock Exchange and Take-over Panel should be much tougher. The Takeover Panel looked into the Uto shares but found no evidence of a concerted party.

Briefly

Westminster Property Group: Mr A. P. Ravenhill (chairman) says in annual report that with falling interest and inflation rates, he looks forward with some confidence to the future even if 1981 has its difficulties.

Oakwood Group: Mr E. D. Chambers, chairman, says that the current order book remains at a satisfactory level for the civil and electrical engineering activities, and whilst continuing difficult trading conditions are affecting wholesaling activities, a strong financial position provides a sound platform for any upturn should it occur during the year ahead.

Grants of Crofton: Mr Alec Grant, chairman, states that trading in the second half year is up by 5 per cent and although the January sales are a record one the period leading up to Christmas was disappointing. With continued reappraisal and cut-back of unprofitable activities, a reduction in expenses should help in what he hopes is a temporary depression in retail trade.

Consolidated Gold Fields: On January 23, De Beers and Anglo American Corp each acquired an interest in an additional 75,000 ordinary shares, so that each now owns a total of 12.5 per cent of the £27.50m ordinary shares. The De Beers-Anglo stake in Consolidated Gold now stands at about 29 per cent of its 18m shares.

Bamber: Stores: Newly-acquired subsidiary Evan Roberts has agreed with an institution for sale and lease-back of retail department stores at the corner of Queen Street and Kingsway, Cardiff. Competition is arranged for February 23 and total cost of the acquisition is £1.5m.

Piccadilly Theatre: Turnover for year to September 30, 1980, £172,000 (£188,000 for previous nine months). Pretax profits, £100,000 (£127,500). Dividend, 2.85p (2.14p) gross.

Midland Trust: Pretax income for year to December 31, 1980, £216,000 (£207,000). Interim dividend unchanged at 12.5p.

Winterbottom Trust: NAV a share on January 23, 35.6p, after deduction of prior charges at par and 25.7p, the deduction of prior charges at market value.

Marley: Through its subsidiary, Marley Buildings, Marley has agreed to acquire the domestic gas-fitting block business of True Plus Ltd.

Norcor: An extraordinary meeting of Norcor approved a resolution increasing the authorized capital from £26.5m to £34m, thus permitting the one-for-four rights issue of ordinary shares announced on January 9, 1981, to proceed.

Brooke Bond—Mallinson-Denny: Brooke Bond Liebig's offer for Mallinson-Denny has been accepted for 50.35m existing ordinary shares, or 94.56 per cent. Brooke Bond owned 21.35m shares before the offer, which, together with acceptances, totals 71.71m shares, or 96.12 per cent. The preference offer was accepted for 1.54m shares, or 83.27 per cent.

Bank Base Rates: ABN Bank 14%, Barclays 14%, BCCI 14%, Consolidated Crds 14%, C. Hoare & Co 14%, Cloyds Bank 14%, Midland Bank 14%, Nat Westminster 14%, RBS 14%, TSB 14%, Williams & Glyn's 14%.

* 7 day deposit on sums of £10,000 and under 11% up to £50,000 12%.

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
£m	£m	£m	£m	£m	£m	£m
Bank Leumi UK (F)	(1.1)	0.51(0.34)	(1.1)	7(5.75)	26/3	10.1(8.56)
Cooper Ind (I)	9.05(12.08)	0.49(0.38)	(1.1)	(0.6)	(1.23)	(1.23)
Derby Trust (G)	(1.1)	(1.1)	(1.1)	11.65(10.63)	28/2	20.25(17.82)
Ballie (I)	15.8(13.1)	2.3(1.3)	2.3(1.3)	2.5(2.5)	1/4	(1.75)
Mercantile House (I)	15.8(13.1)	2.3(1.3)	2.3(1.3)	2.5(2.5)	1/4	(1.75)
Midland Tr (I)	15.8(13.1)	2.3(1.3)	2.3(1.3)	2.5(2.5)	1/4	(1.75)
Piccadilly Theatre (F)	15.8(13.1)	2.3(1.3)	2.3(1.3)	2.5(2.5)	1/4	(1.75)
Stroud, Riley (F)	3.58(3.65)	0.23(0.11)	0.23(0.11)	1.0(0.5)	9/3	(0.5)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown gross before tax. To establish gross dividend multiply by 1.42. Profits are shown after tax and after extraordinary items. * Loss. † Correction. ‡ Net profit, after tax and transfer to inner reserves.

† For nine months.

NOTICE OF REDEMPTION

of

Ente Nazionale per l'Energia Elettrica-ENEL

(Italian National Electric Energy Agency)

7 1/2 Per Cent. 15-Year Guaranteed Bonds of 1970

Due March 1, 1985

NOTICE IS HEREBY GIVEN, on behalf of Ente Nazionale per l'Energia Elettrica-ENEL, that on March 1, 1981, 93,000,000 principal amount of its 7 1/2 Per Cent. 15-Year Guaranteed Bonds of 1970 will be redeemed out of moneys to be paid by it to Dillon, Read & Co. Inc., Principal Paying Agent, pursuant to the mandatory annual redemption requirement of said Bonds and to the relevant Authenticating Agency Agreement and Paying Agency Agreement, each dated as of March 1, 1970. The Authenticating Agency (National Association), as Authenticating Agent, has selected, by lot, for such redemption the Bonds bearing the following serial numbers:

BONDS SELECTED FOR REDEMPTION

1	2000	3000	4000	5000	6000	7000	8000	9000	10000	11000	12000	13000	14000	15000	16000	17000	18000	19000	20000	21000	22000	23000	24000	25000	26000	27000	28000	29000	30000	31000	32000	33000	34000	35000	36000	37000	38000	39000	40000	41000	42000	43000	44000	45000	46000	47000	48000	49000	50000	51000	52000	53000	54000	55000	56000	57000	58000	59000	60000	61000	62000	63000	64000	65000	66000	67000	68000	69000	70000	71000	72000	73000	74000	75000	76000	77000	78000	79000	80000	81000	82000	83000	84000	85000	86000	87000	88000	89000	90000	91000	92000	93000	94000	95000	96000	97000	98000	99000	100000	101000	102000	103000	104000	105000	106000	107000	108000	109000	110000	111000	112000	113000	114000	115000	116000	117000	118000	119000	120000	121000	122000	123000	124000	125000	126000	127000	128000	129000	130000	131000	132000	133000	134000	135000	136000	137000	138000	139000	140000	141000	142000	143000	144000	145000	146000	147000	148000	149000	150000	151000	152000	153000	154000	155000	156000	157000	158000	159000	160000	161000	162000	163000	164000	165000	166000	167000	168000	169000	170000	171000	172000	173000	174000	175000	176000	177000	178000	179000	180000	181000	182000	183000	184000	185000	186000	187000	188000	189000	190000	191000	192000	193000	194000	195000	196000	197000	198000	199000	200000	201000	202000	203000	204000	205000	206000	207000	208000	209000	210000	211000	212000	213000	214000	215000	216000	217000	218000	219000	220000	221000	222000	223000	224000	225000	226000	227000	228000	229000	230000	231000	232000	233000	234000	235000	236000	237000	238000	239000	240000	241000	242000	243000	244000	245000	246000	247000	248000	249000	250000	251000	252000	253000	254000	255000	256000	257000	258000	259000	260000	261000	262000	263000	264000	265000	266000	267000	268000	269000	270000	271000	272000	273000	274000	275000	276000	277000	278000	279000	280000	281000	282000	283000	284000</
---	------	------	------	------	------	------	------	------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	-------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	----------

Stock m
B²

ACCOUNT DAYS: Dealings Began, Jan 26. Dealings End, Feb 6. \S Contango Day, Feb 9. Settlement Day, Feb 16

[illegible]

PERSONAL CHOICE

hillips

PETS AND WOMEN

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

STY. 11 a.m.

Broadcasting Guide

Edited by Peter Dear

TELEVISION

BBC 1

9.45 am

For Schools, Colleges:

News in French: 9.35

10.15 Look and Read:

10.35 Religious and Moral

Education: 11.00

11.17 Television Club: 11.38

Arthur C. Clarke: 12.05

Public and Society: Closedown

at 12.30

12.45 News:

1.00 Pebble Mill at One: Guests

today include: Susan Lister-Jones,

John Peel and Roger Moore.

1.30 The Saturday Show: 1.45

Devlin gives some advice on Family

Matters: 1.45

1.55 The Saturday Show: 2.00

You and Me (r): 2.00

2.14 For Schools, Colleges: German

cultural studies: 2.40 Japan:

Closedown at 3.00

3.20 Paddy's Pub: 3.30

3.55 The Saturday Show: 4.00

4.30 Undercover Elephant: Cartoon

adventure of a super-spy (r): 4.45

Jackanory: 4.55

Laura Ingalls Wilder: 5.15

The Shores of Silver Lake: 4.40

Animal

Magazine with John: 5.15

5.30 The Saturday Show: 5.40

5.55 The Saturday Show: 6.00

6.30 The Saturday Show: 6.40

6.55 The Saturday Show: 7.00

7.30 The Saturday Show: 7.40

7.55 The Saturday Show: 8.00

8.30 The Saturday Show: 8.40

8.55 The Saturday Show: 9.00

9.30 The Saturday Show: 9.40

9.55 The Saturday Show: 10.00

10.30 The Saturday Show: 10.40

10.55 The Saturday Show: 11.00

11.30 The Saturday Show: 11.40

11.55 The Saturday Show: 12.00

12.30 The Saturday Show: 12.40

12.55 The Saturday Show: 1.00

1.30 The Saturday Show: 1.40

1.55 The Saturday Show: 2.00

2.30 The Saturday Show: 2.40

2.55 The Saturday Show: 3.00

3.30 The Saturday Show: 3.40

3.55 The Saturday Show: 4.00

4.30 The Saturday Show: 4.40

4.55 The Saturday Show: 5.00

5.30 The Saturday Show: 5.40

5.55 The Saturday Show: 6.00

6.30 The Saturday Show: 6.40

6.55 The Saturday Show: 7.00

7.30 The Saturday Show: 7.40

7.55 The Saturday Show: 8.00

8.30 The Saturday Show: 8.40

8.55 The Saturday Show: 9.00

9.30 The Saturday Show: 9.40

9.55 The Saturday Show: 10.00

10.30 The Saturday Show: 10.40

10.55 The Saturday Show: 11.00

11.30 The Saturday Show: 11.40

11.55 The Saturday Show: 12.00

12.30 The Saturday Show: 12.40

12.55 The Saturday Show: 1.00

1.30 The Saturday Show: 1.40

1.55 The Saturday Show: 2.00

2.30 The Saturday Show: 2.40

2.55 The Saturday Show: 3.00

3.30 The Saturday Show: 3.40

3.55 The Saturday Show: 4.00

4.30 The Saturday Show: 4.40

4.55 The Saturday Show: 5.00

5.30 The Saturday Show: 5.40

5.55 The Saturday Show: 6.00

6.30 The Saturday Show: 6.40

6.55 The Saturday Show: 7.00

7.30 The Saturday Show: 7.40

7.55 The Saturday Show: 8.00

8.30 The Saturday Show: 8.40

8.55 The Saturday Show: 9.00

9.30 The Saturday Show: 9.40

9.55 The Saturday Show: 10.00

10.30 The Saturday Show: 10.40

10.55 The Saturday Show: 11.00

11.30 The Saturday Show: 11.40

11.55 The Saturday Show: 12.00

12.30 The Saturday Show: 12.40

12.55 The Saturday Show: 1.00

1.30 The Saturday Show: 1.40

1.55 The Saturday Show: 2.00

2.30 The Saturday Show: 2.40

2.55 The Saturday Show: 3.00

3.30 The Saturday Show: 3.40

3.55 The Saturday Show: 4.00

4.30 The Saturday Show: 4.40

4.55 The Saturday Show: 5.00

5.30 The Saturday Show: 5.40

5.55 The Saturday Show: 6.00

6.30 The Saturday Show: 6.40

6.55 The Saturday Show: 7.00

7.30 The Saturday Show: 7.40

7.55 The Saturday Show: 8.00

8.30 The Saturday Show: 8.40

8.55 The Saturday Show: 9.00

BBC 2

10.00 am

Business World: Part

three—The Selling Business (r):

Closedown at 10.25

11.00 Play School: 11.10

11.30 Play School: 11.40

11.55 Play School: 12.00

12.30 Play School: 12.40

12.55 Play School: 1.00

1.30 Play School: 1.40

1.55 Play School: 2.00

2.30 Play School: 2.40

2.55 Play School: 3.00

3.30 Play School: 3.40

3.55 Play School: 4.00

4.30 Play School: 4.40

4.55 Play School: 5.00

5.30 Play School: 5.40

5.55 Play School: 6.00

6.30 Play School: 6.40

6.55 Play School: 7.00

7.30 Play School: 7.40

7.55 Play School: 8.00

8.30 Play School: 8.40

8.55 Play School: 9.00

9.30 Play School: 9.40

9.55 Play School: 10.00

10.30 Play School: 10.40

10.55 Play School: 11.00

11.30 Play School: 11.40

11.55 Play School: 12.00

12.30 Play School: 12.40

12.55 Play School: 1.00

1.30 Play School: 1.40

1.55 Play School: 2.00

2.30 Play School: 2.40

2.55 Play School: 3.00

3.30 Play School: 3.40

3.55 Play School: 4.00

4.30 Play School: 4.40

4.55 Play School: 5.00

5.30 Play School: 5.40

5.55 Play School: 6.00

6.30 Play School: 6.40

6.55 Play School: 7.00

7.30 Play School: 7.40

7.55 Play School: 8.00

8.30 Play School: 8.40

8.55 Play School: 9.00

9.30 Play School: 9.40

9.55 Play School: 10.00

10.30 Play School: 10.40

10.55 Play School: 11.00

11.30 Play School: 11.40

11.55 Play School: 12.00

12.30 Play School: 12.40

12.55 Play School: 1.00

1.30 Play School: 1.40

1.55 Play School: 2.00

2.30 Play School: 2.40

2.55 Play School: 3.00

3.30 Play School: 3.40

3.55 Play School: 4.00

4.30 Play School: 4.40

4.55 Play School: 5.00

5.30 Play School: 5.40

5.55 Play School: 6.00

6.30 Play School: 6.40

6.55 Play School: 7.00

7.30 Play School: 7.40

7.55 Play School: 8.00

8.30 Play School: 8.40

8.55 Play School: 9.00

9.30 Play School: 9.40

9.55 Play School: 10.00

10.30 Play School: 10.40

10.55 Play School: 11.00

11.30 Play School: 11.40

11.55 Play School: 12.00

12.30 Play School: 12.40

12.55 Play School: 1.00

1.30 Play School: 1.40

1.55 Play School: 2.00

2.30 Play School: 2.40

2.55 Play School: 3.00

3.30 Play School: 3.40

3.55 Play School: 4.00

4.30 Play School: 4.40

4.55 Play School: 5.00

5.30 Play School: 5.40

5.55 Play School: 6.00

6.30 Play School: 6.40

6.55 Play School: 7.00

7.30 Play School: 7.40

7.55 Play School: 8.00

8.30 Play School: 8.40

8.55 Play School: 9.00

9.30 Play School: 9.40

9.55 Play School: 10.00

10.30 Play School: 10.40

10.55 Play School: 11.00

11.30 Play School: 11.40

11.55 Play School: 12.00

12.30 Play School: 12.40

12.55 Play School: 1.00

1.30 Play School: 1.40

1.55 Play School: 2.00

2.30 Play School: 2.40

2.55 Play School: 3.00

3.30 Play School: 3.40

3.55 Play School: 4.00

4.30 Play School: 4.40

4.55 Play School: 5.00

5.30 Play School: 5.40

5.55 Play School: 6.00

6.30 Play School: 6.40

6.55 Play School: 7.00

7.30 Play School: 7.40

7.55 Play School: 8.00

8.30 Play School: 8.40

8.55 Play School: 9.00

9.30 Play School: 9.40

9.55 Play School: 10.00

10.30 Play School: 10.40

10.55 Play School: 11.00

11.30 Play School: 11.40

11.55 Play School: 12.00

12.30 Play School: 12.40

12.55 Play School: 1.00

1.30 Play School: 1.40

1.55 Play School: 2.00

2.30 Play School: 2.40

2.55 Play School: 3.00

3.30 Play School: 3.40

3.55 Play School: 4.00

4.30 Play School:

